

## **Georgia**

### **Country strategy and programme evaluation**

#### **Approach paper**

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## **Currency equivalent, weights and measures**

### **Currency equivalent**

Currency unit = Georgian Lari (GEL)

US\$1.00 = GEL 2.414 (June 2017)

### **Abbreviations and acronyms**

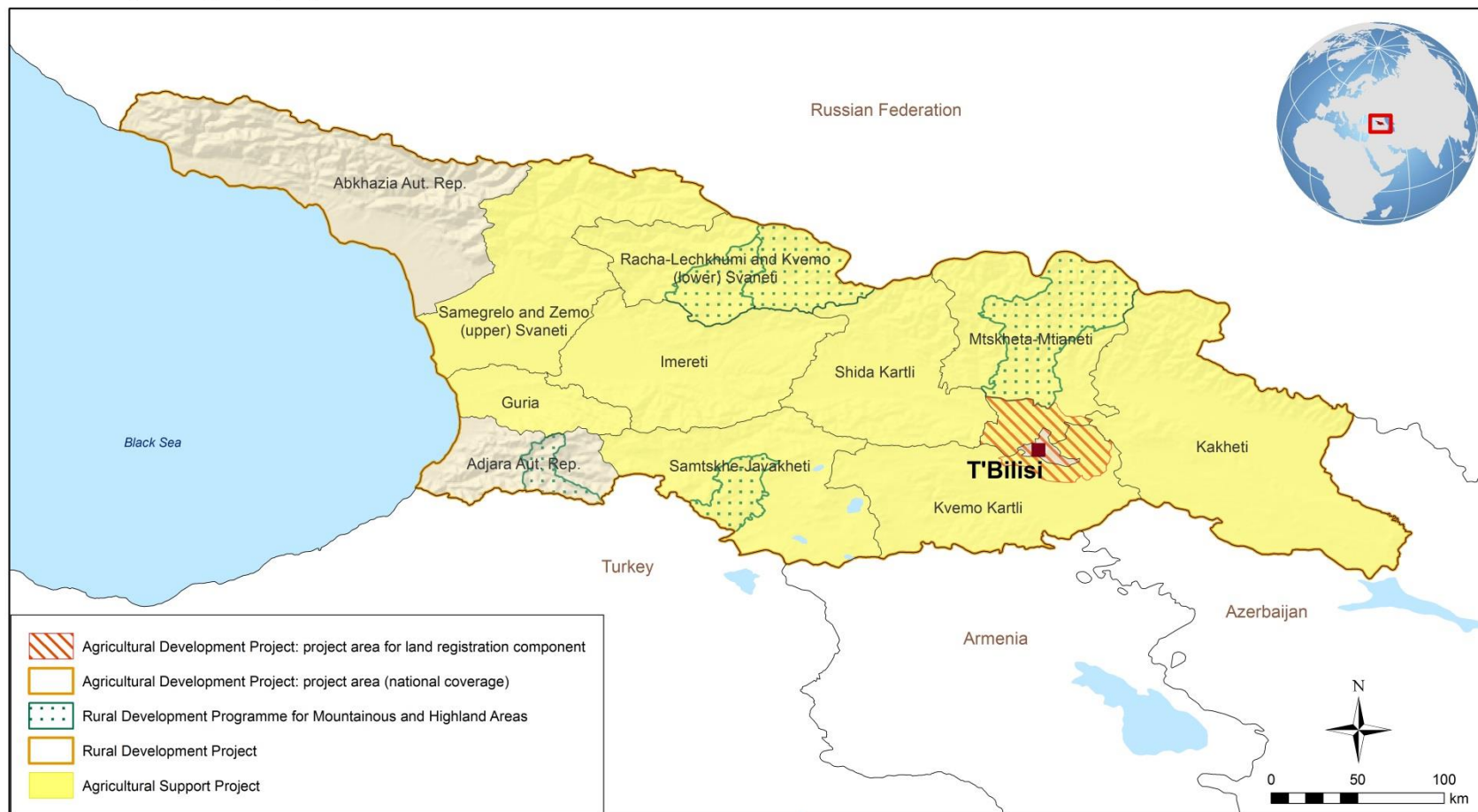
ACP	Agreement at Completion Point
ADP	Agricultural Development Project
AMMAR	Agriculture Modernization, Market Access and Resilience
ASP	Agricultural Support Project
COSOP	country strategic opportunities programme
CPIS	country programme issues sheet
CSPE	country strategy and programme evaluation
EU	European Union
IE	impact evaluation
IOE	Independent Office of Evaluation
MoA	Ministry of Agriculture
NEN	Near East, North Africa and Europe Division
PCR	project completion report
PPA	project performance assessment
RDPMHA	Rural Development Programme for Mountainous and Highland Areas
SME	small and medium enterprise
SUSOP	Sub-regional Strategic Opportunities Paper

# Map of closed projects

## Georgia

IFAD-funded closed projects

Country strategy and programme evaluation



The designations employed and the presentation of the material in this map do not imply the expression of any opinion whatsoever on the part of IFAD concerning the delimitation of the frontiers or boundaries, or the authorities thereof.

Map compiled by IFAD | 21-04-2017

# Map of ongoing projects

## Georgia

IFAD-funded ongoing projects

*Country strategy and programme evaluation*



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Map compiled by IFAD | 21-04-2017

## I. Background and rationale

1. In line with the International Fund for Agricultural Development (IFAD) Evaluation Policy<sup>1</sup> and as approved by the 116th Session of the IFAD Executive Board, the Independent Office of Evaluation (IOE) will undertake a country strategy and programme evaluation (CSPE) in Georgia. The main purpose of this evaluation is to assess the results and performance of ongoing country strategic opportunity programmes (COSOP) and to generate findings and recommendations for the upcoming COSOP to be prepared in 2018. The CSPE will identify the factors that contributed to the achievement of strategic objectives and results, including the management of project activities by IFAD and the Government. It will also review IFAD's strategic position in Georgia, in particular its comparative advantage and positioning in a mid-income country where the Fund has a small portfolio and no country presence.
2. This approach paper presents the overall design of the CSPE. It contains a summary of background information on the country and IFAD-supported portfolio that will be evaluated. The paper outlines the evaluation objectives, methodology, process and timeframe. IOE has conducted a preliminary review of the available country analysis and the COSOP documentation in preparation for this CSPE.
3. The CSPE will benefit from other IOE evaluations that have covered Georgia. This includes the evaluations of the four closed projects, including the impact evaluation of a recently closed projects, as well as a country study as part of the 2016 corporate level evaluation on decentralization.
4. The CSPE started with a preparatory mission to Tbilisi in May 2017. The stakeholder inputs obtained during this mission are reflected in the approach paper. The CSPE process will conclude with a national workshop in Georgia in December 2017. The entire CSPE process will be conducted in close consultation with stakeholders in Georgia and IFAD's Programme Management Department.

## II. Country background

### A. Overview

5. Georgia is an upper middle income country in the Caucasus.<sup>1</sup> It stretches from the Black Sea and across the Great Caucasus Mountains to the north and the Lesser Caucasus Mountains to the south. It is bordered by Turkey to the south-west, Armenia to the south, Azerbaijan to the south-east, and Russia to the north and east. Its total land area is just under 70,000 Km<sup>2</sup>. Due to the range of landscapes comprising mountain ranges, lowlands, and river basins, Georgia boasts a number of micro-climates and rainfall patterns. There is a mix of sub-tropical and continental climates.
6. Georgia's **population** has steadily been decreasing due to emigration. Over the period under evaluation (2004-2016), average population growth was -1.3 per cent.<sup>2</sup> Conflict and economic uncertainty were the drivers of emigration during the 1990s.<sup>3</sup> The principal current driver of emigration is the search for employment.<sup>4</sup> The most recent estimates for the rural population was 1.71 million in 2015 (46 per cent of the total population) and has declined at a faster rate than the national rate since 2003.<sup>5</sup> Population density is greatest in the valleys running through the centre of the country and along the coast, and lowest in mountain regions.<sup>6</sup>

<sup>1</sup> From 1999 to 2002, Georgia was classified as low income. From 2003 to 2014 Georgia was classified as lower middle income (World Bank n.d.)

<sup>2</sup> There is debate regarding the methodology used for compiling population statistics,<sup>2</sup> but from its peak of 4.91 million in 1994, population decreased to 3.68 million in 2015 (the last year on record). (IWPR 2015)

<sup>3</sup> IWPR. 2015

<sup>4</sup> OECD/CRRRC (Georgia). 2017. pg. 29

<sup>5</sup> World Bank. 2017

<sup>6</sup> World Bank. 2009b. pg. 2

7. Nearly half the territory of Georgia is agricultural land which also includes pastures and meadows, while nearly another half is forested. Georgia's wide variety of ecological, altitudinal and climatic zones allows for the growth of cereals, early and late vegetables, melons and gourds, potatoes, commodity crops, grapes, subtropical crops, varieties of fruit, and cattle.<sup>7</sup>
8. Georgia declared independence in 1991 following the break-up of the Soviet Union, and conflict broke out in South Ossetia and Abkhazia in 1991 and 1992 respectively.<sup>8</sup> The 1990s was marked by weakening governance, corruption, failed reform drives, and deepening poverty which drove the country towards the 2003 **Rose Revolution**.<sup>9</sup> The Saakashvilli Government brought in political reforms that strengthened executive powers, yet also saw internal political crises in 2007.<sup>10</sup> Tensions with Russia escalated in the period, resulting in the 2008 Russo-Georgian War. Over the past decade, Georgia has accelerated its approach to the European Union starting with the signing of the EU-Georgia Action Plan within the European Neighbourhood Policy in 2006.
9. Georgia and **the European Union (EU) signed an Association Agreement** in June 2014, which came into effect in July 2016. The agreement included the Deep and Comprehensive Free Trade Area preferential trade regime. This regime aims to create a closer economic integration of Georgia with the EU based on reforms in trade-related areas. It removes all import duties on goods and provides for broad mutual access to trade in services. It allows Georgian trade-related laws to generally match selected pieces of the EU legal framework. It is expected that Georgia's adoption of EU approaches to policy-making will improve governance, strengthen the rule of law and provide more economic opportunities by expanding the EU market to Georgian goods and services, and that it will also attract foreign investment.<sup>11</sup> In the short term agribusiness would need to adjust to EU requirements, but in the long term EU accession is expected to boost agricultural export.

## **B. Economic, agricultural, and rural development processes**

10. Following the break-up of the former Soviet Union, Georgia experienced one of the **sharpest contractions in output** among transition economies. By 1995, real GDP collapsed to 28 per cent of its 1990 level, as widespread economic disorder and civil conflict took hold. A brief period of macroeconomic stability followed and intermittent structural reforms enabled the economy to rebound and stabilize from highly depressed levels. Growth averaged 5.2 percent during 1999–2003, although GDP was still at only 46 per cent of its 1990 level in 2003.<sup>12</sup> The transition to a market economy was characterised by decentralization of economic decision-making processes, liberalization of prices and wages, and exposure of enterprises to competition.<sup>13</sup>
11. Following the transition, Georgia has enjoyed **strong economic growth**<sup>14</sup> with GDP growth rates averaging 7 per cent between 2000–2008, and averaging 5.1 per cent from 2010–2015.<sup>15</sup> Sectoral drivers of growth since 2004 have mainly been manufacturing and services, while agriculture has been stagnant.<sup>16</sup> More recently, growth has been faltering due to weakened external demand for exports with

<sup>7</sup> FAO. 2017.

<sup>8</sup> Matveeva, A. 2002. pg. 9

<sup>9</sup> World Bank. 2009a. pg. 15

<sup>10</sup> Kavadze and Kavadze. 2015. pg. 33

<sup>11</sup> European Commission Directorate-General for Trade. 2017.

<sup>12</sup> World Bank. 2013b. pg. 2

<sup>13</sup> World Bank. 2009a. pg. 15

<sup>14</sup> Georgia was classified as an upper middle income country in 2015, though as recently as 2002 it was a low income country.

<sup>15</sup> World Bank. 2017. 2009 saw a GDP contraction of 3.8 per cent, attributed to the war with Russia and the global financial crisis (World Bank. 2013. pg. 3). Foreign direct investment and workers remittances declined due to the financial crisis (ILO. 2009. pg.1)

<sup>16</sup> World Bank 2013b. pg. 3

traditional partners,<sup>17</sup> slower-than-expected adjustment in imports, and a decline in remittances.<sup>18</sup>

Table 1  
**Main Economic indicators 2006-2015\***

Indicator name	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
GDP growth (annual %)	9.4	12.3	2.3	-3.8	6.3	7.2	6.4	3.4	4.6	2.8
GNI per capita, Atlas method (current US\$)	1,790	2,240	2,670	2,800	3,000	3,300	3,870	4,240	4,490	4,160
GDP per capita, PPP (constant 2011 US\$)	4,992	5,833	6,164	6,054	6,598	7,315	8,027	8,542	9,216	9,600
Inflation, consumer prices (annual %)	9.2	9.2	10.0	1.7	7.1	8.5	-0.9	-0.5	3.1	4.0
Agriculture, value added (% of GDP)	12.8	10.7	9.4	9.4	8.4	8.8	8.6	9.4	9.3	9.2
Population, Total (million)	4.14	4.08	4.03	3.98	3.93	3.88	3.83	3.78	3.73	3.68
Rural Population (% of total population)	47.5	47.4	47.4	47.3	47.1	47.0	46.8	46.7	46.5	46.4
Life expectancy at birth, total (years)	73.2	73.4	73.6	73.8	74.0	74.2	74.4	74.5	74.7	73.2

\*Years are selected based on availability of data

Source: World Bank Development Indicators (World Bank. 2017)

12. **Unemployment** has historically been above 10 per cent, but has been decreasing over the past 9 years, from a high of 16.9 per cent in 2009 following the global financial crisis, to 13.4 percent in 2014.<sup>19</sup> Demographic trends drove the decline in unemployment, as a large number of workers are approaching retirement age. However, youth unemployment has been above 30 per cent since 2007.<sup>20</sup> The overall unemployment rate for women is below the national rate, but young women are more likely to be unemployed. Within the agricultural sector, the increase in subsidies since 2013 led to employment rising by more than 20 percent in the first half of 2015.<sup>21</sup> However, 64 per cent of the employed were categorised as self-employed in 2011, of which a large share practices subsistence farming.<sup>22</sup> International migration has also eased pressure on the domestic labour market.<sup>23</sup>
13. While the economy has grown, the **agricultural sector has remained stagnant**. The share of agriculture in total GDP has shrunk significantly, from a high of 29 per cent in 1997 to 9 per cent in 2015 (figure 1). The total area planted has been reduced by 43 per cent and average production per hectare has diminished. Reasons for the reduction in agricultural productivity include: fragmentation of land, lack of knowledge and technology transfer, high costs of agriculture inputs and expensive financial resources, absence of modern machinery services, poor connectivity to markets and the Russian trade embargo, and a generally degraded rural infrastructure.<sup>24</sup> This is reflected in stagnant growth in value-added per

<sup>17</sup> Russia and Turkey (World Bank. 2013b. pg. 57)

<sup>18</sup> World Bank. 2015b. pg. 2

<sup>19</sup> World Bank. 2017.

<sup>20</sup> World Bank. 2017.

<sup>21</sup> World Bank. 2015b. pg. 4

<sup>22</sup> UNDP. 2013. pg. 17

<sup>23</sup> ILO. 2016. pg. 60

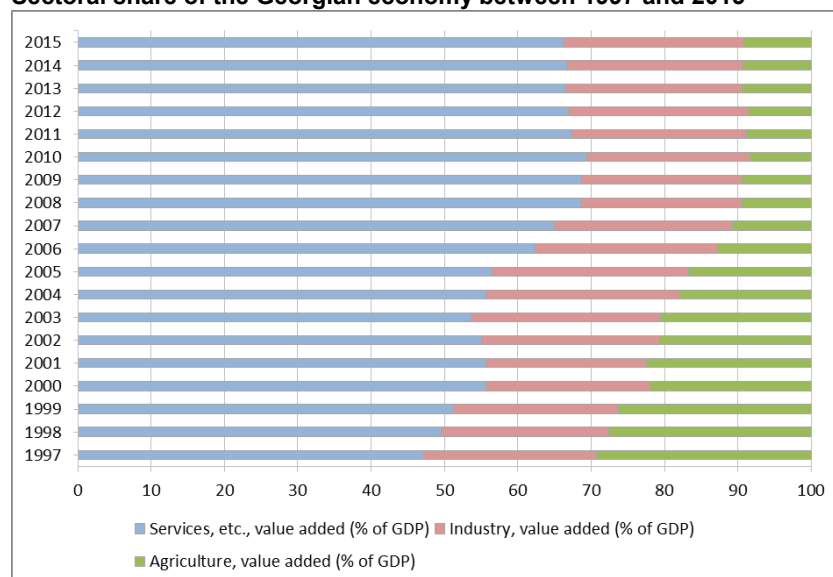
<sup>24</sup> FAO. 2012. pg. 9



agricultural worker in the agricultural sector when compared to neighbouring and/or historically comparable countries such as Armenia, Romania, or Bulgaria.<sup>25</sup>

Figure 1

**Sectoral share of the Georgian economy between 1997 and 2015**



Source: World Bank World Development Indicators 2017

14. Yet agriculture remains an important sector in terms of net foreign exchange earnings, employment generation and poverty reduction. On the other hand, low-input, subsistence and semi-subsistence farming also provides the major source of livelihoods for poor.<sup>26</sup> **Smallholder farmers** emerged with the land privatization process of the 1990s.<sup>27</sup> According to the agriculture census in 2005, there are more than 700,000 agriculture holdings in Georgia, of which more than 99 per cent are classified as family farms. The farm sector is dominated by small private farms; 93 per cent with less than 2 ha of land, with an average of 2.3 plots per farm/holding.<sup>28</sup> These holdings are smaller in mountain areas.
15. **Livestock** is important within the agricultural sector, being most common in non-irrigated areas of the central belt and especially prevalent in mountain areas as a livelihood strategy. The sector contributes to exports and production has been increasing.<sup>29</sup> The sector faces challenges due to poor veterinary services, low productivity and reduced access to markets. Exposure to disease is high.<sup>30</sup> A critical issue is the lack of institutions that provide the regulatory framework and services needed to monitor animal health, feed, and quality.<sup>31</sup> Pastures are held on the balances of local administrations and are used as communal pastureland<sup>32</sup> and are available to residents for a local fee. Most of the pastures are degraded and overgrazed.
16. **Transport and communications** are fairly developed compared to regional averages, but low entry into rural areas limits the opportunities for agriculture and livelihoods. The low capacity and poor service of the transport sector in rural areas is considered a factor for the poor access to markets for rural households engaged

<sup>25</sup> Biermann et al. 2016. pg. 17

<sup>26</sup> FAO. 2012. pg. 9

<sup>27</sup> Privatization resulted in the freehold allocation of 0.76 million Ha of agriculture land to eligible individuals, and 460,000 Ha retained in public ownership, of which 300,000 Ha was leased-out.

<sup>28</sup> FAO. 2012. pg. 11

<sup>29</sup> FAO. 2013. pg. 2

<sup>30</sup> FAO. 2013. pg. 7

<sup>31</sup> FAO. 2010. pg. 8

<sup>32</sup> 1.75 million Ha of grasslands (FAO. 2012. pg. 11).

in subsistence agriculture, and as a driver of unemployment due to the isolation of small towns and rural areas pushing young migration to urban areas.<sup>33</sup>

### C. Poverty characteristics

17. The break-up of the Soviet Union and the end of economic support, ethnic conflicts, the closure of markets, and the re-orientation of the economy to a market system greatly increased poverty in the country. Strong economic growth has ameliorated poverty, yet as of 2014, poverty in Georgia is higher than in comparable countries.
18. Recent **positive economic performance and state social transfers** have driven poverty reduction in Georgia. The moderate poverty rate fell from 73.3 percent in 2013 to 69.4 percent in 2014, while the extreme poverty rate fell from 36 percent to 32.3 percent.<sup>34</sup> This performance is attributed to Government increases in pension benefits and targeted social assistance, and to increased income from agricultural sales, rising employment and higher wage rates. Longer term poverty reduction (2010-2014) is attributed to wage and social assistance factors, whereas increases in employment and agricultural income were less prominent.<sup>35</sup> Before 2010, reductions in poverty were attributed to increased incomes from social transfers. These schemes continue to play a significant role in poverty reduction.<sup>36</sup>
19. **Inequality** as measured by GINI coefficient has been decreasing since historical highs of 42.1 in 2010 to 40.1 in 2014. Yet Georgia has the second highest coefficient<sup>37</sup> in the IFAD Central and Eastern Europe and Central Asia sub-region.<sup>38</sup> Poverty differences are stark between urban and rural areas as well as across regions. In 2014 the rural poverty rate of 41 percent was more than double the urban rate of 21 percent.<sup>39</sup> Regional distribution of poverty (map 1) is concentrated in central Georgia, particularly in the region that suffered most from the 2008 war. The 2014 Georgia MDG report found that nearly 66 per cent of the poor live in rural areas.<sup>40</sup>
20. **Mountain areas.** The main sources of income in mountain regions in Georgia is agriculture, in particular animal husbandry and crop and vegetable production, and timber and firewood collection. Migration from the rural northern mountain regions is particularly acute, leaving these areas inhabited only by the elderly.<sup>41</sup> Access to services such as healthcare and secondary education is poor.<sup>42</sup> The vulnerability of inhabitants in mountain regions is seen in the fact that only two mountain regions (Racha-Lechkumi, Kvemo Svaneti regions, and Mtsketa-Mtianeti) accounted for 45 per cent of beneficiaries who received social allowance in 2011.<sup>43</sup>

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<sup>33</sup> ABD. 2014a. pg. 3-4

<sup>34</sup> Extreme poverty is measured at US\$2.50 per day and moderate poverty at US\$5.00 in 2005 purchasing-power parity terms (World Bank. 2015. Footnote 4)

<sup>35</sup> World Bank. 2015. pg. 4

<sup>36</sup> World Bank. 2016b

<sup>37</sup> World Bank. 2017

<sup>38</sup> As of March 2017, the IFAD Central and Eastern Europe and Central Asia sub-region is composed of the following countries: Albania, Armenia, Azerbaijan, Bosnia and Herzegovina, Georgia, Kazakhstan, Kyrgyzstan, the former Yugoslav Republic of Macedonia, Moldova, Romania, and Tajikistan

<sup>39</sup> World Bank. 2015. pg. 4

<sup>40</sup> Government of Georgia. 2014. pg. 22

<sup>41</sup> UNDP. 2013. pg. 22

<sup>42</sup> UNDP. 2013. pg. 29

<sup>43</sup> UNDP. 2013. pg. 33

Map 1  
2014 Georgia poverty headcount by regions (US\$2.5/day PPP)



Source: World Bank. 2016.

21. **Internally displaced people.** The 1990s separatist wars were fought in both South Ossetia and Abkhazia as the Ossetian and Abkhazian ethnic groups, majorities in their respective regions, fought to break away from Georgia. The wars and ethnic tensions resulted in the displacement of approximately 215,000 ethnic Georgians, mostly from Abkhazia, who fled mainly to Tbilisi and Western Georgia. These internally displaced persons have remained displaced for up to twenty years.<sup>44</sup> The 2014 MDG report estimates that over 257,000 people are still internally displaced, with over 60 per cent living in the cities of Tbilisi, Zugdidi and Kutaisi.<sup>45</sup> The internally displaced from the 1990s and 2008 conflicts are reported to prefer agricultural livelihoods, yet they have reduced access to land, and where they do have access the quality of land is too poor for viable production.<sup>46</sup>
22. **Gender equality and women's empowerment.** In 2016 Georgia ranked 90<sup>th</sup> out of 144 countries in the Global Gender Gap index, having slid from 2015 due to a widening economic participation and economic opportunity gap.<sup>47</sup> Women's political empowerment is particularly low. Women's economic opportunities outside the agricultural sector are limited, with 56.5 per cent of employed women working in agriculture, compared to a regional average of 16 per cent in Europe and Central Asia. Most women in this sector are engaged mainly in subsistence or small-scale activities.<sup>48</sup> Nearly 27 percent of the population lives in households headed by a woman. Poverty appears to have fallen less among people living in woman-headed households than among people living in man-headed households.<sup>49</sup> There are also strong traditions of sex discrimination, leading to a highly skewed sex ratio at birth (111 boys to 100 girls).<sup>50</sup>
23. **Private remittances** sent by labor migrants serve a vital function as they are the only income source for many families and play a significant role in reducing poverty. The volume of remittances has been increasing every year and amounted to US\$1.268 billion in 2011, representing 8.9 percent of GDP.<sup>51</sup>

## D. Rural governance and rural development policies

24. **Rural governance.** Georgia is a democratic republic, divided into two autonomous republics (Abkhazia and Adjara) and nine regions. These are further subdivided into 60 municipalities and 12 self-governing cities. The 2005 Organic Law of Georgia on

<sup>44</sup> World Bank. 2013a. pg. 14

<sup>45</sup> Government of Georgia. 2014. pg. 25

<sup>46</sup> World Bank. 2013a. pg. 22-23

<sup>47</sup> World Economic Forum. 2016. pg. 19

<sup>48</sup> World Bank. 2016a. pg. 18

<sup>49</sup> World Bank. 2016a. pg. 2

<sup>50</sup> Dudwick. 2015. pg. 3

<sup>51</sup> UNDP. 2013. pg. 23

Local Self-Government, has empowered the municipalities and self-governing cities with executive and legislative branches.<sup>52</sup> The most recent change came with the 2014 Local Self-Government Code. The code expands the concept of municipalities to be considered either self-governing cities, and self-governing communities. Mayors are directly elected, though representatives of villages are still appointed. The code also envisions a more equitable distribution of tax-derived resources, though mechanisms and accountability for the use of these resources is unclear.<sup>53</sup>

25. **Agricultural Cooperatives.** During the Soviet period, cooperatives in the agricultural sector had existed as collective farms in the form of production cooperatives.<sup>54</sup> After independence, disincentives to join cooperatives revolved principally on the high tax burden these had.<sup>55</sup> As of 2014, cooperatives are regulated by the 2008-12 law on Entrepreneurs, the 2013 Draft Law on Farmers Groups and the 2013 law on Agricultural Cooperatives.<sup>56</sup> This last law saw the establishment of the Agency for the Development of Agriculture Cooperatives Development Agency (ACDA) within the Ministry of Agriculture (MoA) to regulate cooperative registration and execute monitoring activities. Its aims also include the promotion and development of agricultural cooperatives, consultation services, and the coordination with development partners, among others.<sup>57</sup> According to ACDA's website, 1544 agricultural cooperatives have been registered with it.
26. **Civil society organizations** (CSOs) emerged after independence and have played important roles in advocating for a range of issues such as the environment, taxation or human rights. Most CSOs are based in the capital, and those operating outside do not have the human or financial resources to improve their effectiveness. CSOs are highly dependent on donor financing.<sup>58</sup> Informal community-based organizations, women's groups, faith-based organizations, neighborhood associations as well as other traditional community-based organizations in urban and rural areas exist but their numbers are unknown.<sup>59</sup> The current legislative environment is considered to be fairly liberal and does not limit the development and practice of CSOs in public life.<sup>60</sup> According to the Georgian Regional Development Strategy for 2010-2017, cooperation between the authorities and civil society, amongst other players, is the basis for effective regional development and management.

### **Rural development policies**

27. **Agricultural development in the 1990s and 2000s** was marked by a lack of any defined state policy or strategy for the sector.<sup>61</sup> In 2015, this was remedied by the passing of the Strategy for Agricultural Development in Georgia 2015-2020 (SADG). Its vision is to create an environment that will increase competitiveness in agro food sector, promote stable growth of high quality agricultural production, ensure food safety and security, and eliminate rural poverty through sustainable development of agriculture and rural areas. The strategy expects funding to come from the State budget, international and donor organizations, and the private sector. No funding estimates are given in the strategy. Regarding the livestock sector, the SADG specifically focuses on developing breeding systems, veterinary services, and a livestock conservation strategy.

<sup>52</sup> Mądry and Kaczmarek-Khubnaia. 2016. pg. 136

<sup>53</sup> Transparency International. 2014.

<sup>54</sup> Members of production cooperatives engage in joint agricultural production in a single asset (one farm), as opposed to service cooperatives where members participate in cooperative activity bringing in their individual assets (many farms) (FAO. 2014. pg. 6)

<sup>55</sup> FAO. 2012. pg. 15

<sup>56</sup> FAO. 2014. pg. 9

<sup>57</sup> GoG. 2013.

<sup>58</sup> ADB. 2011.

<sup>59</sup> Europe Foundation. 2016. pg. 19

<sup>60</sup> Europe Foundation. 2016. pg. 30

<sup>61</sup> FAO. 2012. pg. 9

28. The Government has tried to stimulate the **rural finance** sector through programmes, such as the 2007 'Cheap Credit' programme that provided up to GEL 80 million in loans on preferential terms to small and medium enterprises (SMEs) over two years.<sup>62</sup> Rural finance faces challenges regarding affordable long term loans for SMEs, and particularly for rural and agricultural clients who face greater financing constraints. The greatest of these is the lack of fixed assets that can be used for collateral.<sup>63</sup> As of 2015 there are 15 credit unions which service rural areas, and make up less than 0.04 per cent of the Georgian financial sector. These function as non-profit organisations and are funded entirely through their members' deposits.<sup>64</sup> There is unmet demand for financial services in rural areas, and this is expected to increase as the agricultural sector expands. Commercial banks do not have outreach to rural areas, whereas microfinance institutions are filling this gap.<sup>65</sup>
29. The Government's current development strategy is based on the "Social-Economic Development Strategy of Georgia: Georgia 2020". In the agricultural sector, the strategy aims to facilitate modernization and competitiveness for agricultural exports through the development of food safety, veterinary, and phytosanitary systems in accordance with international and EU norms. It also aims to expose entrepreneurs to these systems, expand a geographical provenance certification scheme, and develop Georgian brands. Regarding infrastructure, the strategy focuses on the development of irrigation and drainage systems, of processing and storage facilities, and of road networks. Regarding institutions and market, the strategy focuses on cadaster reforms and the development of financial instruments (particularly leasing systems) and of facilitating the establishment of farmers' groups and cooperatives.
30. Other recent policies guiding the development of the agricultural sector are the Rural Development Strategy (2016), prepared with support from EU and UNDP, and the High Mountainous Areas Law (2016), which is implemented through a special fund and with support from various donors (e.g. Austria, Switzerland).

## **E. International Development Assistance**

### **Official Development Assistance**

31. Between 2004 and 2015 Georgia received US\$5.9 billion in constant 2015 US\$ prices in Country Programmable Aid.<sup>66</sup> During this period Country Programmable Aid flows peaked in 2008-2009, in the aftermath of the Russo-Georgian war and as an effect of the International Donor's Conference organised for reconstruction efforts.<sup>67</sup> The largest donors over the 2004-2015 period have been the United States of America, the International Development Association-World Bank, the EU, the Asian Development Bank (ADB), the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) and the Japanese International Cooperation Agency (JICA). In 2015, the EU and the ADB overtook the United States of America as the largest donors to Georgia in terms of Country Programmable Aid.

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<sup>62</sup> EIB. 2013. pg. 24

<sup>63</sup> EIB. 2013. pg. 28

<sup>64</sup> EIB. 2016. pg. 14

<sup>65</sup> EIB. 2013. pg. 21

<sup>66</sup> Country Programmable Assistance is the proportion of aid that is subjected to multi-year programming at country level. It excludes spending which is unpredictable, entails no flows to recipient countries, aid that is not discussed between donors and governments, and does not net out loan repayments (OECD 2016). Between 2004 and 2015 CPA flows were on average 4.4 per cent of GDP at current US\$ rate.

<sup>67</sup> The UN Joint Needs Assessment conducted in October 2008 estimated US\$3,148 million in reconstruction efforts. The conference obtained a commitment from donors of US\$3,224 million. By 2010, disbursement was at US\$1,568 million, less than half the amount. In the agricultural sector, US\$80 million was requested in 2008. In 2009, JICA committed US\$13 million in 2009, and other UN agencies had committed US\$10.3 million through a flash appeal (total of US\$23.3 million). US\$8.5 million had been disbursed. By March 2010, 13 million had been committed by JICA, which had been disbursed. Committed funding in 2010 includes US\$8.1 million from IFAD (which could have presumably been the Smallholder Modernisation Project which was cancelled before approval). (Source: Joint Needs Assessment Findings 2008 and Progress Reports 2009 & 2010)

32. Between 2005 and 2015, social and economic infrastructure and services<sup>68</sup> accounted for 30 per cent of Official Development Assistance (ODA) flows by sector. While the production sectors have only accounted for 2 per cent of ODA flows in the same period, agriculture, forestry and fishing have been the largest recipients of ODA in this category.<sup>69</sup> As of 2011, donor funding in the agricultural sector is coordinated by MoA's International Organisations Projects Implementation Department.
33. **USAID.** As of January 2017, USAID has directed US\$3.6 billion of aid to Georgia. Its current Country Development Cooperation Strategy includes increased agricultural production/productivity and market linkages as an expected result. US\$129 million was dedicated to agriculture (3.6 per cent of total flows).<sup>70</sup> There are various ongoing programmes in the agricultural and rural development sector, whose activities range across agribusiness development, policy engagement, capacity building, value chain development, youth empowerment, and rural finance, to name a few.<sup>71</sup>
34. The **World Bank** has been active in Georgia since 1992, and has to date funded 95 projects in the country worth US\$2,706 million. The portfolio dedicated to the agricultural and rural development sectors include 12 projects worth US\$257 million, and cover a variety of sub-sectors, including central agencies, agricultural extension, research, and other activities, and other agriculture, fishing and forestry. There are currently 2 ongoing projects in the sector, worth US\$110 million.<sup>72</sup> Its current Country Partnership Strategy (2014-2017) includes supporting the transition of the agricultural sector away from subsistence, through the support of agribusinesses and value chains. The strategy also seeks to boost compliance of Georgian producers to meet EU and international food safety standards.

#### **Other financial assistance**

35. The **EU** has provided assistance to Georgia through a variety of instruments. It engages with Georgia within the framework of the European Neighbourhood policy and the Eastern Partnership. The current financial instrument is the European Neighbourhood Instrument (ENI) which covers the 2014-2020 period. Other funding sources come from thematic programmes focused on human rights and civil society. Aside from Country Action programmes, Georgia also benefits from EU regional and multi-country Action Programmes.<sup>73</sup> ENI bilateral assistance to Georgia for the 2014-2017 period is set to range from EUR 335 – 410 million.<sup>74</sup>
36. The EU and Georgia agreed on a set of three priority intervention areas in the current ENI Support Framework for EU support to Georgia (2014-2017). These are public administration reform, agriculture and rural development, and justice sector reform. Within the agricultural and rural development priority, the EU aims to stimulate the diversification of the rural economy, and identify and implement climate change adaptation and mitigation measures including disaster risk reduction. Ongoing projects in the agriculture and rural development sectors include the European Neighbourhood Programme for Agriculture and Rural Development (ENPARD Georgia) worth EUR 40 million, a regional development Sector Policy Support Programme worth EUR 19 million), and a follow-up programme worth EUR 30 million.

<sup>68</sup> Social infrastructure and services include education and water supply and sanitation. Economic infrastructure and services includes transport and communications.

<sup>69</sup> This has been nearly consistent on an annual basis, aside from 2011 when trade and tourism overtook the primary sector.

<sup>70</sup> USAID.

<sup>71</sup> USAID. 2017.

<sup>72</sup> These are the Irrigation and Land Market Development Project and the Regional Development Project.

<sup>73</sup> European Commission. 2016.

<sup>74</sup> The EU provides financial assistance in the form of grants

### III. Overview of IFAD assistance to the country

37. IFAD's involvement in Georgia sits below the top half of borrowers in IFAD's overall portfolio (79<sup>th</sup> of 123 countries). Within IFAD's Near East, North Africa and Europe Division (NEN), it represents 1.8 per cent of the division's portfolio (17<sup>th</sup> largest of 26 countries). IFAD's engagement with Georgia began in 1995 with a project preparation advance funded by the World Bank loan that eventually led to IFAD co-financing the Agricultural Development Project (ADP), which became effective in 1997.
38. The portfolio came under the guidance of Sub-regional Strategic Opportunities Paper (SUSOP) for Azerbaijan and Georgia in 1999. The SUSOP proposed focussing IFAD interventions in both countries in areas that contained the highest percentage of the poor. It identified these as being mountainous areas, and introduced the Rural Development Programme for Mountainous and Highland Areas (RDPMHA) in both Azerbaijan and Georgia. The SUSOP was replaced by the Georgia-specific COSOP in 2004. This is the current COSOP, which oversaw the introduction of 3 more programmes, with another in the pipeline. There is no IFAD country office in Georgia.
39. Georgia's Performance-Based Allocation System (PBAS) allocation since 2005 has been as follows: 2005-2006: US\$3 million (US\$10 million in approved loans); 2007-2009: US\$6.0 million (US\$ 8.7 million in approved loans); 2010-2012: US\$ 10.6 million (US\$5 million in approved loans); 2013-2015: US\$13.8 million (US\$13.8 million in approved loans); The current 2016-2018 PBAS allocation is US\$19.2 million.

Table 2  
**Snapshot of IFAD operations in Georgia since 1997**

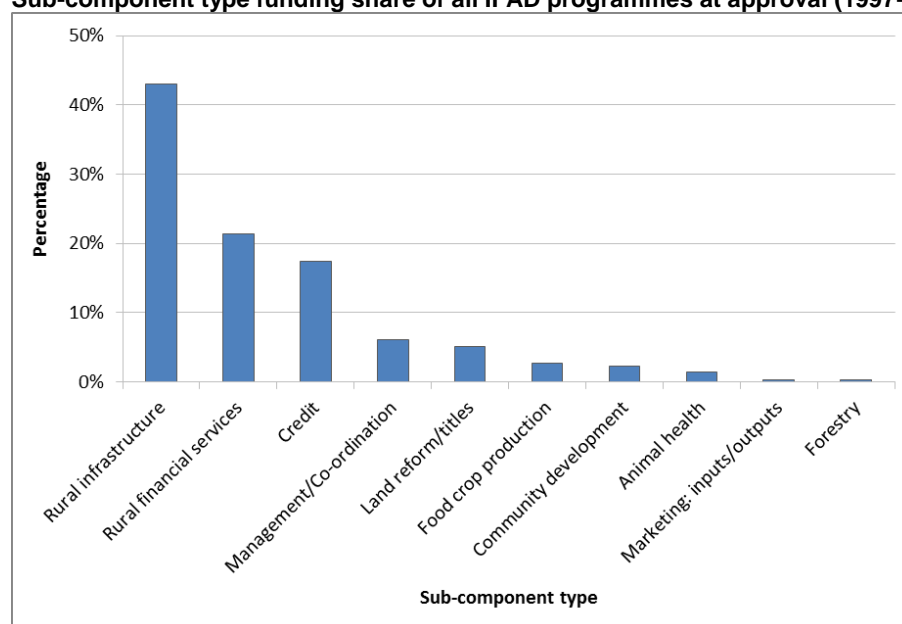
<b>First IFAD-funded project</b>	1997
<b>Number of approved loans</b>	5
<b>On-going projects</b>	1
<b>Total amount of IFAD lending</b>	US\$51.6 million
<b>Counterpart funding (Government and beneficiaries)</b>	US\$32.8 million
<b>Co-/parallel financing amount</b>	US\$34.9 million
<b>Total portfolio cost</b>	US\$117.5 million
<b>Lending terms</b>	Highly concessional; Hardened; Blended
<b>Main co-financiers</b>	IDA, GEF, JICA
<b>COSOPs</b>	1999 (joint with Azerbaijan), 2004, Country Strategy Paper
<b>Country Office in Georgia</b>	No country office in Georgia
<b>Country programme managers</b>	Dina Saleh (2012-2017); Lorenzo Coppola (2010-2012); Pietro Turilli; Henning Pedersen; Mohamed Hassani; Abdalla Rahman
<b>Main Government partners</b>	Ministry of Agriculture; Ministry of Finance

## A. Portfolio

40. IFAD committed US\$51.6 million in loans to Georgia since 1997 to support rural poverty reduction and agricultural development. IFAD has invested in five agricultural development programmes and projects. Four have been completed and one is ongoing. There is also one project currently under design. The programme has revolved around development of institutions and frameworks, rural finance and rural infrastructure. Rural infrastructure has been the biggest sector for investment of IFAD funding (43 per cent), though rural financial services and credit have both absorbed a comparably similar 39 per cent of IFAD funding. Another 12 per cent of funds were dedicated to land reform and titles, food crop production, community development, animal health, marketing, and forestry.

Figure 2

**Sub-component type funding share of all IFAD programmes at approval (1997-2017)**



Source: IFAD GRIPS 2017.

41. **IFAD counterpart agencies.** Since 1997, IFAD's main counterpart in Georgia has been the Ministry of Agriculture. Partnerships with other ministries have only been with the Ministry of Finance, as borrower of IFAD loans, and as implementer of particular activities such as in its role of credit union regulator. Partnerships with other ministries have not been strategically pursued, either by the SUPOPs/COSOPs or by the projects. Partnerships with Government agencies have been more sporadic. IFAD's first project, the ADP, helped establish the State Department of Land Management which subsequently became the National Agency for Public Registry based in the Ministry of Justice. This agency was used in another IFAD project, the Rural Development Programme (RDP). Other agencies to have collaborated in the portfolio have all been based in the Ministry of Agriculture, and include the Agricultural Development Projects Coordination Center, the Agriculture Projects Management Agency (APMA), the Rural and Agricultural Development Fund, and the Georgian Amelioration Company.
42. The **total portfolio cost over the last 13 years** amounted to US\$123.2 million. IFAD contributed US\$51.6 million, and Government counterpart contribution was US\$8.4 million. International donors contributed US\$39.1 million, with beneficiaries, domestic financial institutions and local private institutions contributing the remaining US\$24.2 million. Average annual disbursements amounted to US\$2.3 million, though highs were recorded in 2010, when 3 of 5 projects were disbursing, to lows of just over US\$300,000 in 2016, when the Agriculture Modernization, Market Access and Resilience (AMMAR) project was



starting to disburse. The 2004-2011 period saw on average of 2.3 projects in effect, while 2012-2016 had only one active project a year.

43. **Grants.** Georgia has benefitted from 17 grants focussing on a wide range of thematic areas. Also financing windows for grants have been largely diverse including grants from the global-regional, country-specific, supplementary funds,<sup>75</sup> Special Operations facility,<sup>76</sup> GEF and the IFAD/NGO Extended Cooperation Programme<sup>77</sup> sub-window. The total amount of grants was US\$6.4 million since 1997, but included only four country specific grants worth US\$1.5 million. The remaining US\$4.3 million were six global-regional grants which included Georgia among other countries.
44. Overall, the non-lending portfolio has been used to complement the lending portfolio (i.e. AMMAR, RDP, RDPMHA, Agricultural Support Project (ASP)). Until the early 2000s the portfolio was focused on rural development in mountainous and highland areas, with special reference to capacity building and institutional development. As mentioned above, four grants were designed to reinforce and build the foundation for RDPMHA. From 2005 on, thematic areas covered by the grants included remittances, horticultural value chains, micro-insurance, gender, and capacity building for media specialists. Grant recipients are very diverse including international organizations (i.e. the International Organization for Migration), Government institutions (i.e. Ministry of Finance), non-for-profit organizations (e.g. Association for the Protection of Landowners rights, Crystal Fund, Thompson Reuters Foundations) and the private sector (e.g. MicroInsurance Centre).
45. **IOE evaluations.** IOE has conducted evaluations of the four closed projects of the Georgia portfolio. This includes the 2007 completion evaluation of ADP, and the 2014 project performance assessments (PPAs) for RDPMHA and RDP. In 2017, IOE is also conducting an impact evaluation (IE) of the ASP. The lessons learned from these evaluations have informed the elaboration of the thematic issues and CSPE focus (see section IV.C of this approach paper).

## **B. Evolving strategy**

46. The SUSOP was approved by the Executive Board in March 1999, covering the period 1999-2004. The following COSOP was approved by the IFAD Executive Board in December 2004, covering the period 2004-2009. In 2014 the COSOP was reviewed, and a Country Strategy Note was developed that found the COSOP strategic objectives to still be relevant (see annex V for a comparison of all three strategy documents).

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<sup>75</sup> From The Netherlands, Luxembourg and Spain

<sup>76</sup> Two grants were funded through the Special Operations Facility (SOF) window. The facility was approved to support grants requested by the countries directly in support of loans. SOF is no longer existing.

<sup>77</sup> The IFAD/NGO Extended Cooperation Programme (ECP) has made valuable contribution to enhancing IFAD- NGO operational partnerships and through this NGO-Government partnerships. It has also increased institutional exposure to participatory approaches for poverty alleviation and helped in their promotion and internalisation during the implementation of IFAD projects (OE, 2000, IFAD website).

Table 3  
SUSOP 1999 and COSOP 2004

	COSOP 2004	Country Strategy Note 2014
<i>Strategic objectives</i>	<p>SG1: Empower the rural poor to overcome their own poverty.</p> <p>SG2: Expand gainful economic opportunities for rural populations</p> <p>SO1: Develop coherent and supportive national policies and a conducive institutional framework for smallholder development</p> <p>SO2: Provide critical investments to provide support to rural households and entrepreneurs, individuals and groups to enhance productivity and improve incomes</p>	<p>SO1: Promote competitive and climate smart value chains.</p> <p>SO2: Improve access for farmers and agribusiness to key markets</p> <p>SO3: Promote financially and environmentally sustainable rural economic infrastructure, critical for increasing productivity, post-harvest management and improving resilience</p>
<i>Geographic focus and coverage</i>	Livelihood systems of the mountainous areas and the lowlands lying between the Greater and Lesser Caucasus	all major agro-ecological zones; areas with highest concentration of rural poverty, and highest potential for agricultural development
<i>Strategic thrusts</i>	<ul style="list-style-type: none"> <li>• Market linkages</li> <li>• Improved on-farm productivity</li> <li>• Support of the non-farm rural economy</li> <li>• Develop rural financial services</li> <li>• Creation of farmer associations</li> <li>• Community development</li> </ul>	<ul style="list-style-type: none"> <li>• Inclusive rural market development <ul style="list-style-type: none"> <li>• climate smart agricultural value chains</li> <li>• Private sector investment</li> </ul> </li> <li>• "public good" productive and value chain infrastructure</li> </ul>
<i>Targeting approach</i>	<p>(i) <b>Geographical</b> coverage in mountainous areas and lowlands</p> <p>(ii) <b>Direct targeting</b> of the landless, small farmers and women under community development activities; individual family farmers, rural entrepreneurs, and enterprises under rural financial services;</p>	<p>(i) <b>Geographical</b> targeting in areas with high poverty and potential for agricultural development</p> <p>(ii) <b>Direct</b> targeting within a private sector framework (farmers, cooperatives, agribusinesses)</p> <p>(iii) <b>Self-targeting</b> through pro-poor eligibility criteria</p>
<i>Policy dialogue</i>	On <b>access to financial markets</b> (credit, collateral, CBO participation) and <b>access to markets</b> (value addition in key crops)	Through Project Management Units based in MoA who will pursue policy dialogue more effectively.
<i>Grants strategy</i>	Grants as entry point for policy dialogue; technical assistance grant for gender mainstreaming	No explicit strategy

## IV. Evaluation objectives and methodology

### A. Objectives

47. The main objectives of this CSPE are to: (i) assess the results and performance of the IFAD-financed strategy and programmes in Georgia; and (ii) generate findings and recommendations for the future partnership between IFAD and Georgia for enhanced development effectiveness and rural poverty eradication. The findings, lessons and recommendations from this CSPE will inform the preparation of the new COSOP in 2018.
48. The portfolio to be reviewed by this CSPE has a number of characteristics that differ from usual IOE CSPEs. It is a relatively small portfolio, with only one ongoing project, and the operations to be covered have all been evaluated by IOE. Thus the value added by this CSPE will be to review the overarching strategic issues that will be important for IFAD to address in the new COSOP as well as lessons on selected

crosscutting thematic issues that should inform the design of new projects and activities.

## B. Scope

49. The CSPE will assess the results and performance of the activities conducted since December 2004, when the current COSOP was presented to the Executive Board. The CSPE will cover the full range of IFAD support to Georgia, including lending and non-lending activities (knowledge management, partnership-building, and country-level policy engagement), including grants, as well as country programme and COSOP management processes.
50. The lending portfolio to be covered by this CSPE covers a relatively long time period; almost 20 years since the first project (ADP) was designed. All of the projects were relatively broad in terms of the interventions supported, most of them (except the RDPMHA) did not have a geographic focus, and the linkages and overlaps are not obvious. Thus, in order to enable a comparative analysis, the CSPE will follow a thematic approach (see below).
51. The **loan portfolio** to be covered by this CSPE includes five operations, four of them are closed and one is ongoing. The closed operations include the ADP, RDPMHA, RDP and ASP. The ongoing project is AMMAR.

Table 4

### Projects covered by the 2017 CSPE

<i>Project name</i>	<i>Board approval</i>	<i>Entry into force</i>	<i>Status</i>	<i>Completion</i>	<i>Total project finance US\$ millions (at design)</i>	<i>Disbursed (%)</i>	<i>IFI co-financing</i>
Agricultural Development Project (ADP)	30/04/1997	13/08/1997	Closed	30/06/2005	27.1	91.9	World Bank loan (US\$15 million)
Rural Development Programme for Mountainous and Highland Areas (RDPMHA)	13/09/2000	04/09/2001	Closed	30/09/2011	9.2	94.8	No
Rural Development Project (RDP)	19/04/2005	22/05/2006	Closed	31/12/2011	34.7	86.9	World Bank loan (US\$10 million) JICA grant (US\$4.5 million)
Agricultural Support Project (ASP)	17/12/2009	08/07/2010	Closed	30/09/2015	22.2	84	Co-financing expected at design, no co-financiers found
Agricultural Modernization, Market Access and Resilience Project (AMMAR)	01/09/2014	28/05/2015	Ongoing	30/06/2019	35	15.3	GEF grant (US\$5.3 million)

52. The **grants portfolio** for the CSPE period (2004-2016) covers 15 grants, worth 6.2 million US\$. Ten of them were funded by IFAD, one by ILC, one by the GEF Special Climate Change Fund and three by supplementary funds. Around 60 per cent of the country grant financing was used to fund two of the (three) ongoing grants (on

horticultural value chains and micro-insurance). The CSPE will review a sample of (completed and ongoing) grants that are relevant in terms of supporting policy dialogue, knowledge management and partnership building within the context of Georgia country programme. Grants will not be rated as such, but their relevance and contribution will be assessed within the context of the country strategy and programme performance.

## C. Thematic issues and CSPE focus

53. Since all of the closed projects will have been evaluated at the time of this CSPE, there is no need to evaluate the individual projects and rate them again. Instead the CSPE will focus on broader trends and crosscutting issues within the lending portfolio through comparative analysis of thematic issues. The thematic issues to be covered by this CSPE include strategic issues in relation to IFAD's positioning and engagement in Georgia and crosscutting issues that have come out as critical for the performance of operations from previous IOE evaluations.

### Strategic issues

54. Strategic issues are emerging from IFAD's engagement on lending and non-lending activities. They are related to IFAD's level of engagement in the country, the management of risks in the context of political changes, fragility and tensions, and the use of partnerships as strategic instruments.
55. The overarching strategic question is how IFAD can maintain an **appropriate level of engagement** in a country where it has very few lending operations ongoing (in the case of Georgia only one ongoing operation). The 2016 CLE on decentralisation provided a vivid documentation of Government's expectation on IFAD to increase its country presence. Since this may not be feasible or likely to happen in the near future, the strategic issue is how IFAD can maintain an appropriate level of engagement in the absence of a country presence.
56. A related issue is the thematic focus of IFAD's engagement. As shown in Figure 2 the overwhelming part of IFAD's support went into infrastructure. Although there is a great demand for infrastructure, in particular for improved access to markets (roads, bridges) and value chains (irrigation), the question is if this focus will be sufficient to maintain or strengthen IFAD's strategic role in the sector.
57. An important aspect of this engagement includes the ability to **manage risks**. The portfolio in Georgia has been facing a number of risks in the past, which have adversely affected its performance. Country Programme Issues Sheets report a number of governance-related issues as risks in attaining COSOP objectives and contributing causes to serious implementation delays. These include political volatility, frequent changes in MoA's priorities, a lack of a well-defined longer-term agricultural strategy, and changes in donor coordination structures. Lessons emerging from the evaluations show a mixed bag of results regarding the implementation of policy-level and national framework activities requiring close coordination with Government. The RDP PPA also indicate that implementation of certain local supply chain activities were not conducted, which has negative consequences for the attainment of Georgia's agricultural strategy and the COSOP's SO1. The coordination of IFAD's programmes and country management team with Government in being able to contribute to and operationalise national strategies at the local level will be an important theme for the CSPE.
58. IFAD had classified Georgia as a fragile country up until at least 2013.<sup>78</sup> The evaluation period covers periods where **military conflict and ethnic tensions** have reported to have impacted project implementation, and where trade embargos have significantly disrupted the agricultural sector. Furthermore, the

<sup>78</sup> The 2016 IFAD strategy for engagement in countries with fragile situations emerged from the 2014 IOE CLE on IFAD's Engagement in Fragile and Conflict-affected States and Situations. The strategy, using its latest IFAD-specific methodology for country classifications, does not list Georgia as a country with fragile situations

closed projects (ADP, RDP, ASP) have at design covered the breakaway regions of South Ossetia and Abkhazia. Past IOE evaluations have not discussed modalities or results of project implementation in these areas, which Government services are hard-placed to reach. The CSPE will explore how situations of fragility have affected project outcomes, and whether they were sufficiently understood by project designs and the COSOP, and how IFAD responded to emerging situations of fragility.

59. **Partnerships** with other development partners have been an important strategic instrument to maintain good levels of engagement on the ground and they were included as such in the COSOP. Two of the closed operations (ADP, RDP) were co-financed by the World Bank and JICA. The COSOP also mentions the intention to partner with WFP.
60. To explore the strategic issues mentioned above, the CSPE will attempt to answer the following questions in the review of lending and non-lending activities:
  - How well have risks been understood and managed? Have these been incorporated into IFAD strategies? Were there any risk assessments or mitigation measures at design for such circumstances? (*Relevance*)
  - What were the factors underpinning the performance of activities related to different national frameworks in the portfolio? What mechanisms were used, and were they repeated across the portfolio? (*Effectiveness*)
  - How did conflict, ethnic tensions, and fragility impact project implementation? Did IFAD country management and Government take appropriate measures to mitigate risks? (*Effectiveness*)
  - What measures did IFAD take to ensure outreach and sustainability of project activities in fragility-prone areas? Where they effective? (*Sustainability*)
  - What levels of engagement has IFAD been able to maintain on policy-related issues? How did IFAD and other development partners contribute to the drafting and implementation of national agricultural strategies over the evaluation period? (*Policy engagement*)
  - In the absence of a country presence, how important were partnerships with other development partners (in particular World Bank, USAID and European Union) to increase outreach and impact on the ground? To what extent has IFAD been coordinating its approach with other key development partners in the sector, e.g. through links into institutional and policy frameworks supported by others? How attractive is IFAD as a partner? (*Partnership building*)
  - To what extent has IFAD maintained good levels of engagement on lending and non-lending activities? How did country management respond to changes in Government priorities, and did this ensure continuity of IFAD and national strategy objectives? (*IFAD performance*)
  - How well is IFAD placed to support Government on priority issues such as reform of the (rural) financial sector and value chains? Is the current focus on infrastructure appropriate given IFAD's strategic role in the sector? What is the type of support expected from Government? And how could IFAD work more effectively with other partners to mobilise the critical levels of support needed? (*CSP relevance*)

### **Crosscutting issues**

61. The following issues were consistently mentioned by previous IOE project evaluations. They cut across the closed and ongoing lending operations.

62. **Access to markets.** With the loss of the Soviet market and the privatisation of agricultural land, Georgia returned to a smallholder subsistence agriculture. Smallholders' access to markets has been a common theme in all operations since ADP. The 2004 COSOP has it as one of two issues to engage the Government with in policy dialogue. The 2014 PPAs made distinctions in market access at different levels. At the international level, they noted that opportunities for export markets were limited by a lack of capacity for organizing exports, achieving quality standards, and a lack of storage and/or packaging facilities. At the domestic level, access is restricted due to transport issues, making farmers (particularly in remote areas) dependent on traders and intermediaries.
63. RDP intended to reinforce food safety agencies. The project provided the required infrastructure, but the supported agencies were not yet fully operational by the end of the project. The PPA recommended that IFAD continue focussing on strengthening these food safety agencies with the view that these will be a requirement for Georgian agricultural goods to be marketable to international markets.
64. Reflecting the programmatic attention given to market access, the bulk of IFAD financing (43 per cent) has been in rural infrastructure that reinforces access to markets in one way or another. RDPMHA's was in mountain roads and bridges intended to provide easier connection to lowland areas. ASP and AMMAR's investments have been in irrigation that reinforce value chains to access external markets.
65. Access to markets was also a strong theme in the recent strategic documents. The 2014 Country Strategy Note reflects access to markets within its two strategic objectives. The 2015 Country Programme Issues Sheet (CPIS) highlights trade opportunities emerging from Georgia's access to the EU market. It also identifies market access for Georgian agricultural products as a mitigation strategy for the risk of a volatile political environment and MoA's changing priorities. Consequently IFAD has adopted a value-chain approach in its ongoing operation (AMMAR).
66. The CSPE will attempt to answer the following questions:
  - How have the factors limiting smallholder access to markets been addressed by the different projects? How did IFAD's strategy to address smallholders access to markets evolve over time? (*Relevance*)
  - How did the adoption of a value-chain approach change IFAD's engagement on the ground and are there any working examples yet? What analysis was used to underpin the value-chain approach? To what extent did IFAD build on the analysis and institutional frameworks supported by other development partners (EU, FAO)? (*Relevance*)
  - How effective have IFAD operations and non-lending activities been in addressing limiting factors to access markets and at what levels? How effective have been IFAD's investments into infrastructure for improving access to markets and value chains? (*Effectiveness*)
  - Have IFAD's strategies to address smallholder access to markets through lending and non-lending activities had any impact in terms of rural poverty reduction? (*Impact*)
67. Regarding **rural finance**, the 2004 COSOP had identified the sector as a strategic thrust, and IOE evaluations have shown a range of both more or less successful ways and instruments of rural finance delivery. The ADP Completion Evaluation (CE) noted that the project had been successful in stimulating medium-term lending to agro-industrial enterprises, but had failed in establishing a network of credit union financing. Furthermore, credit unions were found to be limited in terms of their financial sustainability, and that successful credit unions were moving

towards urban areas and potentially losing a pro-poor focus in rural areas. The RDP PPA highlighted project strengths in addressing the lack of financing for agricultural production through credit lines provided to MFIs that issued microcredits, and recommended that it continue strengthening rural financial services. ASP had entered into a different market altogether, agricultural leasing. The Project Completion Report found design to be over-ambitious in attracting micro-finance institutions (MFIs) and leasing companies, and that the project was not able to realise its objective of introducing leasing to the rural sector on the scale envisaged.

68. It is expected that the financial sector will be widely transformed as part of the EU accession process and the related EU funding to support institutional reforms in the finance sector and improve access to finance for SMEs.
69. This CSPE will attempt to answer the following questions:
  - What have been the principles underpinning the evolution of IFAD's strategy on rural finance in Georgia? To what extent are they aligned to Government and IFAD policies and strategies? To what extent did IFAD address the demand for different financial products? How coherent has the approach to rural finance been? How relevant is IFAD's approach to rural finance in the context of the EU accession process? (*Relevance*)
  - What have been the strengths and weaknesses of the different models used in the portfolio to provide financial services to the rural poor? What are the overarching and common issues? How effective have been the various financial intermediaries (MFIs, credit cooperatives, leasing companies) and their products been in improving smallholder access to rural financial services? (*Effectiveness*)
  - How sustainable are the different rural financial institutions supported by IFAD? Do any (i.e. credit unions) still function? (*Sustainability*)
  - To what extent has IFAD supported an enabling environment for local MFIs through lending and non-lending activities? To what extent have grants been effectively used for capacity building and institutional and policy change in the rural finance sector? (*Impact*)
  - To what extent have lessons from success and failure in the financial sector been learned in IFAD's operations (e.g. credit unions)? (*Knowledge management*)
  - How strategic have partnerships been in the financial sector (e.g. National Bank of Georgia)? How successful has been the engagement with new and emerging actors in the financial sector, including private sector institutions? (*Partnerships*)
70. **Rural institutions.** The portfolio exhibits broad experience in institutional development at multiple levels of administration and geography. There seems little development of community groups or farmers' organisations, despite the intentions of the COSOP. But IFAD has increasingly supported Government in establishing and strengthening national institutions that regulate and promote agricultural markets. IFAD first engaged in this area in 1997 through ADP's activities in establishing the Georgian land registration and land titling system. In 1999, the SUSOP recognised the importance of institutional development by setting strong policies and institutional frameworks as one of its strategic thrusts. The 2004 COSOP made conducive institutional frameworks part of SO1, and farmer association and community development were assigned as strategic thrusts. The IOE evaluations conducted since the COSOP have highlighted strengths and weaknesses in this thematic area. The 2007 ADP Completion Evaluation noted that ADP was successful in establishing and developing what would eventually become a nation-wide land

titling system. RDP continued building on ADP's success in land titling by reinforcing National Agency for Public Registry's operational capacity.

71. With ASP, the portfolio entered into a more operational and geographically focussed approach to rural institution building. The 2015 CPIS highlighted the technical experience generated in providing irrigation water through small-scale irrigation schemes. IFAD engaged in intensive policy dialogue with Government and other development partners is creating positive impetus for institutional development under ASP, especially on those issues related to operation and maintenance of the rehabilitated irrigation schemes, and in technically assisting the United Amelioration Service Company of Georgia which is responsible for the irrigation sub-sector. The ASP project completion report (PCR), however, found that the lack of water user associations as a risk to the sustainability of the schemes. ASP also built the capacity of a rural leasing company in order to achieve goals of developing the rural leasing market. It provided technical assistance to a private company to strengthen its institutional capacity for risk management and product development, which has allowed it to diversify its portfolio and enter new funding areas.
72. In light of the above, the CSPE will attempt to answer the following questions:
  - How relevant have been strategic choices with regard to the focus and scope for rural institution building? More specifically, what have been the key factors for the success or failure in the institutionalisation of land markets and food safety frameworks? Why has group mobilisation not been tested or used as an approach in the portfolio since RDPMHA? (*Relevance*)
  - How has IFAD mobilised resources (loans, grants, Knowledge Management, staff) and influence (partnerships) at the policy level to push forward policy and institutional framework activities? How effective have these measures been? (*Effectiveness*)
  - How sustainable were benefits from institutions supported by IFAD (e.g. Food Safety Agency, Agency for Public Registry)? (*Sustainability*)
  - How have partnerships with public and private sector organizations been chosen, and to what effect? (*Partnerships*)
  - To what extent did IFAD attempt to influence policy-level issues or regulatory frameworks (e.g. on land registration, rural finance)? Are there any lessons that should be learned for the upcoming strategy? (*Policy engagement*)
73. **Targeting** approaches. Considering the level of social and economic inequality within rural areas the provision of targeted support is a challenge. The ADP Completion Evaluation recommended using used zonal targeting together with a more nuanced social targeting approach for a stronger pro-poor focus. The RDPMHA thus focussed on selected mountain and highland regions. Social targeting and self-targeting strategies have evolved since then. The 2015 CPIS noted that the ongoing AMMAR project uses a private sector framework targeting approach, which it recognizes as placing certain limitations on reaching the poorest segments of the rural population. It aims to mitigate this by combining a demand-driven modality with self-targeting parameters of benefits and pro-poor eligibility criteria. The CPIS does not seem to suggest a strategy for targeting internally displaced persons (IDPs). Finally, there has been little mention of youth in agriculture in both the IOE evaluations and management.
74. The CSPE will attempt to answer the following questions :
  - How has the portfolio responded to IOE recommendations on targeting (geographic, direct, sectorial)?



- What were the lessons learned from IFAD's engagement in high mountainous areas and how did they inform the portfolio?
- To what extent have projects and the country strategy benefitted any IDPs settling in the targeted regions?
- How appropriate have targeting strategies been, given the changes and trends in poverty, and the different geographic circumstances in Georgia?
- What has been IFAD's strategy to engage with youth, and to what effect?

75. **Research and technology development** have been major themes in the COSOP (2004) and they were addressed in the projects designed under this strategy (RDP, RDPMHA). The focus on agricultural extension has been revived in recent years and is linked to the promotion of a market and value-chain oriented approach. This aspect has not been covered in the previous IOE project evaluations. Therefore, the CSPE will aim to answer the following questions:

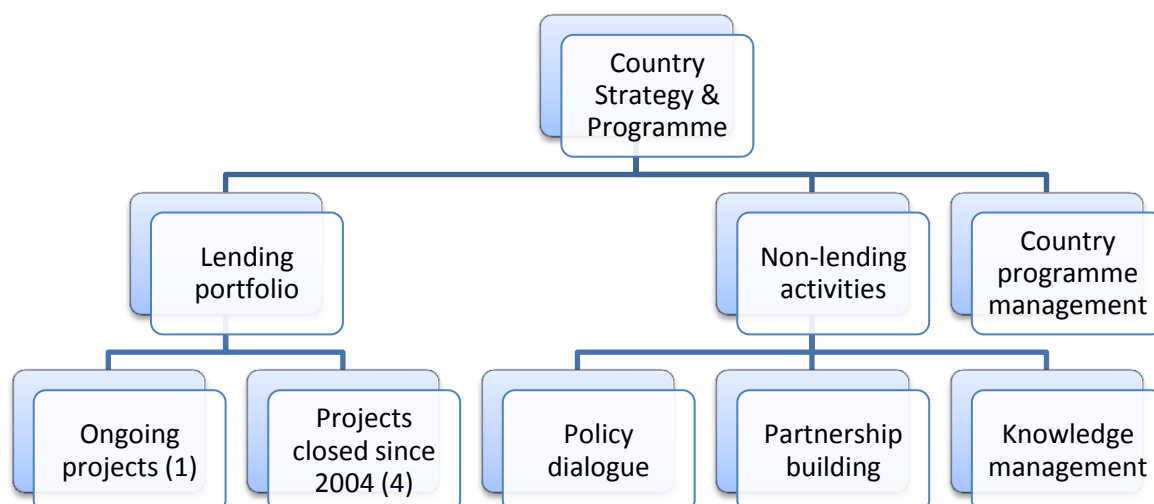
- What were the results and lessons from the prior focus on research and technology development (RDP, RDPMHA)?
- How does the renewed focus on agricultural extension link to the initiatives supported by other development partners (FAO, EU)?
- How effective was the use of grants to support research and technology development on policy-relevant issues (e.g. horticulture, value chains)?

## D. Methodology

76. **Multi-level approach.** The CSPE will assess the performance and results of the country strategy and programme through a multi-level approach:

- (a) At the level of **operations and activities**, the CSPE will conduct a comparative analysis, to identify trends over time as well as factors for success and failure. For the lending portfolio, the analysis will follow a thematic approach to review the identified crosscutting issues, based on the data provided from previous IOE evaluation, complemented by comparative analysis of the available M&E data, project documentation and information collected during the country mission.
- (b) At the level of the **portfolio**, the CSPE will review how key strategic issues were addressed throughout the different lending and non-lending activities. In addition, the CSPE will assess the performance of partners in the management of the country programme, which includes an assessment of IFAD's implementation support and country presence as well as the Government's contributions and role in the achievement of country programme results.
- (c) At the level of the **country strategy and programme**, the CSPE will analyse how IFAD has defined and implemented its strategy to reduce poverty in partnership with the Government and what results it has achieved and how. The analysis will not just look at compliance with the COSOP document, but also explore what IFAD could have done differently, given the context of the country and the strategies deployed by other development partner, and how it could have been more effective in achieving its corporate-level goals. The CSPE will assess relevance and effectiveness of the country strategy and programme by synthesising findings from lending and non-lending activities as well as country programme management.

Figure 3  
Schematic overview of CSPE structure



77. **Theory of change.** The methodology for the CSPE will be theory based. The programme theory describes the results chain linking COSOP and programme outputs to outcomes and impact and its underlying programme theory of change taking into consideration the contextual factors within which the programme was designed and implemented. The COSOP intends to contribute to the empowerment of the rural poor (SG1) and the expansion of gainful economic opportunities for the rural population (SG2) through a two-pronged approach which includes (SO1) developing coherent and supportive national policies and a conducive institutional framework for smallholder development, and (SO2) providing critical investments to support rural households and entrepreneurs in enhancing their productivity and improving their incomes. The COSOP intends to empower the rural poor by strengthening their organisations for marketing and natural resource management. Economic opportunities will be enhanced through provision of improved production technology and knowledge, market linkages and access to finance for smallholder farmers and SMEs.
78. The CSP will further elaborate the theory of changed underlying the COSOP through the following steps:
  - (a) Mapping the results of lending and non-lending activities against the COSOP objectives;
  - (b) Identify the main impact pathways embedded in the country programme and the causal linkages, influencing factors and underlying assumptions driving the changes envisaged within the strategy;
  - (c) As part of the evaluative assessment, identify the achievements and key results based on the available evidence and verify the causal relations and influencing factors explaining the achievement or non-achievement of results;
  - (d) Prepare a theory of change for the country strategy and programme, using the evidence collected by this CSPE.
79. To validate the programme theory, the CSPE will assess if the available evidence corroborates the key assumptions for the achievement of results, in particular:

- i. IFAD-supported operations and activities that have noted major achievements with regard to the strategic objectives and outcomes stated in the COSOP;
  - ii. Achievement of results is consistent across different project areas;
  - iii. Synergies between IFAD-supported project and/or projects supported by other development partners may have amplified the stated results;
  - iv. Shocks, conflicts and crises did not offset the achieved results.
80. **Establishing COSOP results.** The CSPE will employ three methodological elements to establish how and to what extent the country programme strategy has achieved the intended results:
- i. The “top-down” assessment will look at the extent to which the strategy has made the country programme more effective. This includes an assessment of IFAD’s strategic selectivity and the extent to which its strategic positioning took adequate account of its comparative advantage and the role played by others in agriculture, rural development and rural poverty reduction.
  - ii. The “bottom-up” assessment looks at the extent to which the country programme has achieved the strategic results stated in the COSOP, based on a systematic review of the performance and achievements of the lending and non-lending portfolio
  - iii. The “contribution assessment” will look at the roles of IFAD, Government and other partners in supporting those results. It aims also to determine whether the support provided was adequate to achieve the COSOP strategic objectives.
81. **Sampling project sites.** All but one project (RDPMHA) had a national coverage. Sampling of project sites (from ongoing and closed projects) will have thus have to consider where the different project components have been implemented. If possible, there should be some *diversity* in the selection of field sites, covering the main agro-ecological and socio-economic zones where IFAD is working. Another criterion would be the proximity or of *overlap* of several (ongoing and closed) operations within one region, to enable time-efficient field visits and, if applicable, study potential synergies. Furthermore, stakeholder *availability* will be a criterion, which may be a challenge for operations that have closed some years ago. Finally, field sites needs to be secure for the team to access and possible risks for the stakeholders visited must be excluded.
82. **Sampling grants.** The grants portfolio for the CSPE period covers 15 grants, ten of them funded by IFAD. Based on the documents review, the CSPE will identify which grants will merit a more in-depth review because of their possible contribution to the portfolio of (lending and non-lending) activities, in particular with regard to:
- *Links with the lending portfolio:* The four country-specific grants were expected to support the lending operations (RDP, RDPMHA, AMMAR). The RDPMHA has benefit from altogether four grants which were expected to build capacities or in other ways enhance the project’s effectiveness.
  - *Knowledge management:* Some grants, for example on financial inclusion and literacy, were expected to support knowledge products or knowledge sharing events, or resulted in studies, for example on remittances. A specific question of interest will be how the sub-regional grants (including Azerbaijan) have contributed to regional knowledge sharing.
  - *Policy engagement.* Some grants, for example on horticulture or gender, were designed with the intention to provide inputs into policy engagement.

- *Partnership building.* Some grants intended to build strategic partnerships in areas of mutual concern, for example with financial sector institutions or NGOs working in high mountain areas.
83. **Sampling stakeholders.** Comprehensive coverage of stakeholders for feedback and further analysis of key issues will be an important aim of the data collection phase. Interviews and workshops with selected stakeholders during the country mission will be the main tools to collect stakeholder feedback. The CSPE will aim at good coverage, using the following criteria:
- *Different types* of stakeholder groups in terms of roles in the programme and partnerships with IFAD, e.g. Government, private sector, NGOs, CBOs, research partners, partners for political dialogue, implementing partners, beneficiaries, development partners;
  - *Different perspectives and interests*, also covering those that are not directly involved with IFAD or benefitting from IFAD support and/or those that may have different views on strategic issues.
84. **Performance ratings.** The closed operations were previously evaluated by IOE. The ADP through a completion evaluation in 2007; the RDPMHA and the RDP through PPAs in 2014. For the ASP an impact evaluation has been conducted in early 2017 and initial findings will be available at the time of the CSPE.

**Table 5**

IOE project ratings for core performance criteria

<i>Evaluation criteria</i>	<i>ADP</i>	<i>RDPMHA</i>	<i>RDP</i>	<i>ASP<sup>79</sup></i>
Relevance	4	2	4	4
Effectiveness	3	2	4	3
Efficiency	3.5	2	4	3
Impact	3.7	2	4	3
Sustainability	3	2	4	4
Innovation, replication, upscaling	5	2	4	
Performance of IFAD	4	4	5	4
Performance of cooperating institution	4			
Performance of Government	3.3	2	4	4

Source: Project evaluation reports, IOE

85. **Evaluation criteria.** The 2017 Agreement between IFAD Management and IOE on the Harmonisation of IFAD's independent evaluation and self-evaluation methods and systems<sup>80</sup> establishes the most up-to-date set of evaluation criteria that will be used by the CSPE. Per IOE standards, the CSPE will not re-rate criteria at the project level for projects that have had prior evaluations.
86. For the **lending portfolio**, the CSPE uses the available IOE ratings (from PPAs, PPE and IE).<sup>81</sup> Furthermore, the CSPE provides an opportunity to revisit longer-term effects and impacts, assuming that additional evidence is available given the time span being considered (10 years since the CE; 3 years since the PPAs). The broader impacts of the country programme will then considered in the assessment

<sup>79</sup> Ratings from ASP impact evaluation draft report

<sup>80</sup> IFAD. 2017. Annex I pg. 5

<sup>81</sup> The CE's evaluation methodology followed the 2003 Methodological Framework for Project Evaluation. It did not require a rating for Gender Equality and Women's Empowerment, Environment and Natural Resource Management, and Adaptation to Climate Change. It rated innovation and scaling up jointly under Impact on Rural Poverty. The PPAs followed the revised 2010 first edition of the Evaluation Manual. This methodology rated innovation and scaling up jointly, and included an assessment on Adaptation to Climate Change under the Environment and Natural Resource Management criterion.

of the overall country strategy and programme effectiveness. The one ongoing project, AMMAR, is still in an early stage of disbursement and therefore can only be assessed for relevance (15 percent). As of April 2017, there is one project under design, the Livestock Improvement in the Mountain Areas (LIMA) project. It will not be assessed since it falls outside of the scope of the evaluation of approved projects within the portfolio.

Table 6

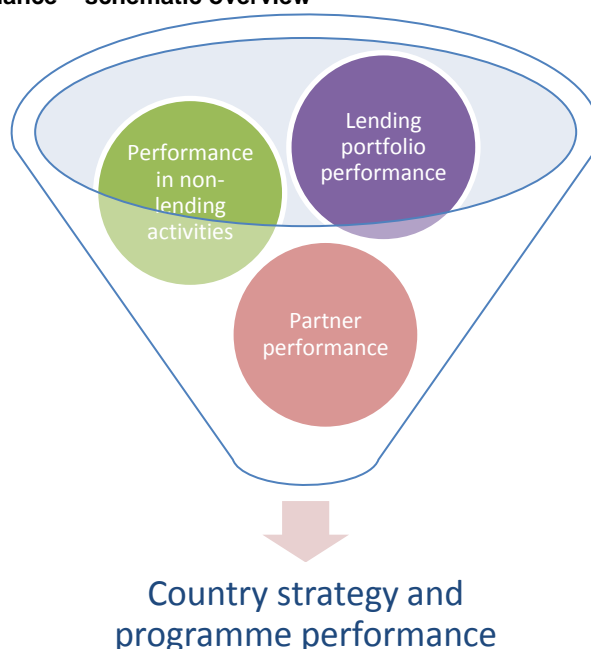
**2017 CSPE evaluation criteria\* rated by previous IOE evaluations**

<b>CSPE Evaluation Criteria for lending portfolio*</b>	<b>ADP</b>	<b>RDP/PMHA</b>	<b>RDP</b>	<b>ASP</b>
Rural poverty impact	√	√	√	√
Relevance	√	√	√	√
Effectiveness	√	√	√	√
Efficiency	√	√	√	√
Sustainability of benefits	√	√	√	√
Gender equality and women's empowerment		√	√	√
Innovation	√	√	√	√
Scaling up				√
Environment and natural resources management		√	√	√
Adaptation to climate change				√
Performance of IFAD	√	√	√	√
Performance of cooperating institution	√			
Performance of Government	√	√	√	√

\*according to 2017 Harmonisation Agreement

87. For the **non-lending activities**, performance on policy engagement, partnerships and knowledge management will be assessed (and rated) separately and an overall rating given. **Performance of partners** (IFAD, Government) will also be assessed and rated. Finally, the findings from the three building blocks will be synthesised as **country strategy and programme performance** and overall ratings for relevance and effectiveness will be awarded (see figure below).

Figure 4  
Assessing CSP performance – schematic overview



## E. Data collection strategies

88. The CSPE will to a large extent depend on the existing documentation of the country programme. This includes the previous IOE evaluations, the COSOP review, Annual Impact Reviews, Performance Portfolio Reviews, Portfolio and Country Programme Reviews, and for each active or completed project, individual reports such as project status reports, mid-term reviews and PCRs as well as IFAD's Results and Impact Management System ratings. In addition, the CSPE will use complementary information sources, such as country statistics, sectoral studies and the poverty analysis produced primarily by GeoStat, the World Bank, and the Asian Development Bank.
89. **Data collection techniques** include the following:
  - i. An analysis of all relevant *IFAD documentation* will be the first step in validating the consistency of findings and availability of data at different levels in the results hierarchy.
  - ii. *Project documentation* from the IFAD portfolio, some of which is already assembled, will be collated and analysed to supplement and provide richer data. These should include progress reports, studies and surveys, and grant reports.
  - iii. *Secondary data* at national and regional level, to identify wider trends in poverty reduction and rural development. The CSPE will identify relevant data, in particular the most recent poverty statistics, agricultural sector data and relevant studies from the national statistics office (GeoStat) during the preparatory mission.
  - iv. Interviews with the IFAD country team on the results logic underlying the results-based framework, and to collect and validate information to address the evaluation questions and assess selected evaluation questions, such as the key factors affecting performance of the country programme and issues of country programme management.

- v. *Interaction with COSOP stakeholders and selected other informants*, such as staff of policy and implementing agencies, beneficiaries, NGOs, research agencies, in country experts, which can take the form of *one-on-one interviews, group interviews or focus group discussions*. Key informant interviews will be very important to explore a number of issues, including: the existence of additional reports or surveys, exploring the justifications for ratings in PCRs or Supervision Mission reports, and to understand the evidence base for the ratings and judgements given in the various performance reports. Interviews would need to be conducted with IFAD, Government representatives, NGOs and private sector actors involved in the various projects, beneficiaries and other development partners (WB, USAID, EU). Consultants and IFAD staff involved in previous IOE evaluations, project reviews or PCRs will be valuable sources of evidence. As part of the CSPE preparation, an inventory of such key informants will be prepared. Based on this information, the team will also identify the potential focus groups and develop the tools for focus group discussions as part of the preparation. Possible topics for focus group discussions include thematic issues such as rural finance and land titling, as well as issues of strategic positioning and validation of COSOP achievements and results.
- vi. *Field visits* to ongoing and completed projects would include visits to selected field sites with a view to gather (additional) information on COSOP outputs and outcomes, capture male and female beneficiary perspectives and feedback on project performance and.

## **F. Process**

- 90. The CSPE will follow the standard process as laid out in the IOE Evaluation Manual which includes the following phases and steps:
- 91. **Initial documents review.** IOE conducted an initial documents review for this approach paper in March 2017. The desk review included relevant COSOP documents and selected project documents.
- 92. **Draft approach paper.** The draft approach paper which includes the draft evaluation framework and the proposed timeline will be available for peer review in May and sent to Government for comments after the preparatory mission in May.
- 93. **Preparatory mission.** A preparatory mission to Tbilisi took place between 8 and 11 May. The mission was used to meet key stakeholders for this evaluation and to finalise the approach to this CSPE. On the basis of the draft evaluation framework, the team had further discussions with stakeholders to clarify the purpose, focus and process of this CSPE. It also aimed to locate resource persons and retrieve the additional data and documents required for this CSPE. It finalised the sampling approach and select projects and sites for visits during the main mission. The mission also conducted a rapid review of the available M&E data.
- 94. **Desk review.** The desk review phase (May-June) will include a comprehensive review of the available documentation for the lending and non-lending portfolio. The documents review will enable the preparation of working hypotheses which will guide the further inquiry during the main mission. At this stage, the team will also prepare detailed questions and checklists for the main mission.
- 95. **Self-assessment.** The IOE Evaluation Manual requires participating projects and country teams to conduct a self-assessment prior to a CSPE. In the case of Georgia PCRs are available for the four closed operations and they were used as self-assessments by the previous IOE project evaluations. The self-assessment will thus concern only the non-lending activities. The CSPE proposed using an online survey targeted at key partners and implementing agencies to assess aspects of performance in the non-lending activities and country programme management.

96. **Country mission.** The main country mission will take place from 21 June – 12 July 2017. The main purpose of the mission is to crosscheck and verify the initial findings from the desk review and the self-assessment. This will include extensive stakeholder consultation for feedback on the COSOP performance. It will also include focus group discussions around selected thematic issues for this CSPE. After consultation with MoA, two focus group discussions are proposed, on rural finance and on land registration. To ensure sufficient coverage and stakeholder participation, the team will travel to selected field sites where it will consult with key stakeholders, conduct reality checks on selected activities on the ground and hold discussions with beneficiaries. The proposed regions for field visits are Adjara, Kakheti, Kvenmo Kartili and Samegrelo. At the end of the main mission, the evaluation team will organize a wrap-up meeting to present emerging findings to the representatives of Government, and other development partners. At the same meeting, IOE will also present the draft IE report.
97. **Draft report and review.** A draft report will be available for peer review in September 2017. Internal peer review in IOE will include both a review of the evidence base and robustness of the analysis and an assessment of the conclusions and recommendations (linkage with findings, capturing key country context issues and emerging issues, and avoiding redundancies). Thereafter, it will be shared with NEN and the Government simultaneously for their review. The draft report will also be shared with development partners as appropriate. The report will be revised independently by IOE and audit trails will be prepared to explain how comments were taken into consideration
98. **Finalisation, dissemination and follow up.** The report will then be finalized by IOE and a national workshop will be organized in Tbilisi in December 2017 to discuss the issues and recommendations raised by the CSPE, to agree on key points to be included in the Agreement at Completion Point (ACP) and to reflect on strategic issues that will inform the forthcoming Georgia COSOP. In the same week IOE plans to organise a seminar on the impact evaluation in Georgia as a learning event for national stakeholders. The final CSPE report will be presented by IOE to the Evaluation Committee in 2018. It will also be presented for discussion with the IFAD Executive Board when the new Georgia COSOP is considered by the Board.

## **V. Core learning partnership**

99. A standard feature in IFAD evaluations, the Core Learning Partnership (CLP) will include the main users of the evaluation who will provide inputs, insights and comments at determined stage in the evaluation process. The CLP is important in ensuring ownership of the evaluation results by the main stakeholders and utilization of its recommendations. The CLP will be expected to (i) provide comments in the approach paper; (ii) review and comment on the draft CSPE report; and (iii) participate in the final workshop. In consultation with MoA and the IFAD Country Programme Manager, the following persons have been identified as members of the CLP:



Table 7

**Draft List of Core Learning Partnership members**

	<i>Organisation</i>	<i>Name</i>	<i>Designation</i>
<b>Government</b>	<b>Ministry of Agriculture</b>	Levan Davitashvili	Minister for Agriculture
	<b>Ministry of Finance</b>	Dimitry Kumsishvili	Minister for Finance
	<b>Ministry of Environment and Natural Resources Protection</b>	Gigla Agulashvili	Minister
	<b>Ministry of Regional Development</b>		
<b>Programme Coordinator</b>	<b>AMMAR</b>	Lali Durmishidze	
<b>Implementing Agencies</b>	<b>TBC Leasing</b>	Nato Toronjadze	CEO
	<b>Agriculture Projects Management Agency (APMA)</b>		
	<b>Biological Farming Association ELKANA</b>		
	<b>Caucasus Environment NGO Network (CENN)</b>		
	<b>Georgian Amelioration Company</b>		
<b>Development Partners</b>	<b>World Bank</b>	Peter Goodman	Agriculture Sector Team Leader
	<b>USAID</b>	Douglas H. Ball	Mission Director
		Shamenna Gall	Agriculture Development Officer
	<b>European Union</b>	Janos Herman	Head of the Delegation
			Agricultural officer
	<b>FAO</b>	Raimund Jehle	Representative for Georgia
			Agricultural officer
	<b>GIZ</b>	Mary Schäfer	Country Director
<b>IFAD</b>	<b>Near East, North Africa and Europe Division</b>	Ms Khalida Bouzar	Director
		Dina Saleh	Country Programme Manager
	<b>Independent Office of Evaluation (IOE)</b>	Oscar Garcia	Director
		Johanna Pennarz	Lead Evaluation Officer

100. **Agreement at Completion Point.** According to the IFAD Evaluation Policy, evaluations conclude with an Agreement at Completion Point (ACP), a document presenting the main findings and recommendations contained in the evaluation report that the Government and IFAD's Programme Management Department (PMD) agree to adopt and implement within a specific timeline. The ACP will be prepared after the roundtable workshop so that it can benefit from the outcomes of the discussion. IOE does not sign the agreement and is only responsible for facilitating the process leading to preparation of the ACP. After the Government and IFAD-PMD have agreed on the main follow-up actions, the ACP will be shared with IOE for review and comments and thereafter signed by the Ministry of Finance and the IFAD's Associate Vice President for Programmes. The ACP will be included in the final published report and presented as an annex in the COSOP document when the same is discussed with the Executive Board of IFAD.

## VI. Consultants team

101. The Director IOE will have the overall oversight of the CSPE. The Lead Evaluator, Ms Johanna Pennarz, will be in charge of designing the methodology, recruiting specialists, exercising quality control and managing the overall exercise. IOE will be ultimately responsible for the contents of the evaluation report and the overall evaluation process. Ms Pennarz will be supported by Mr Shaun Ryan, Evaluation Assistant, and Robert Nicholas Bourguignon, Research Analyst.
102. The main field mission will be conducted by a team of independent and external specialists under the responsibility and supervision of IOE. The team will include one international and five national consultants with complementary thematic and sectoral expertise: Mr Ali Dastgeer will be the Senior Consultant responsible for the comprehensive review of the lending portfolio. He will be supported by Mr Tornike Gotsiridze, Infrastructure and Environment Specialist, Mr Konstantin Zhgenti, Private Sector and SME Specialist, and Ms Rusudan Dzaganian, Socio-economist. The review of non-lending activities will be conducted by IOE in-house consultant Ms Antonella Piccolella and Ms Marine Mizandari, Rural Policies and Institutions Specialist. The team composition and complementary roles are presented below.

	Team Leader	Non-lending/ grants	Lending portfolio	Infrastructure / Environment	Private sector /SME	rural institutions / policies	socio-economic analysis	COSOP review
	Johanna	Antonella	Ali	Tornike	Konstantin	Marine	Rusudan	Nick
<b>General requirements</b>								
Evaluation	✓		✓	✓		✓		✓
M&E	✓		✓	✓	✓	✓	✓	
EU accession framework			✓	✓	✓	✓	✓	
Country experience			✓	✓	✓	✓	✓	
<b>Specialist expertise</b>								
Infrastructure			✓	✓				
NRM/Environment		✓	✓	✓				
rural institutions	✓		✓	✓	✓	✓		
Land rights and registration				✓				✓
Value chains/markets					✓			
Rural finance			✓		✓			✓
Private sector/SMEs			✓		✓			
Targeting	✓		✓	✓			✓	
gender & youth	✓						✓	✓
IDPs			✓	✓			✓	
Rural development policies			✓	✓		✓		
Financial analysis/cost benefit analysis				✓	✓			
Governance/public sector			✓	✓			✓	
<b>IFAD-specific expertise</b>								
IFAD policies	✓	✓						✓
Policy engagement	✓	✓		✓		✓		✓
Knowledge management	✓	✓						✓
Partnerships	✓	✓				✓		✓

## VII. Communication and dissemination

103. A CSPE national workshop will be organised in the capital at the conclusion of the evaluation process. This learning event will allow a broader number of stakeholders, beyond the core learning partnership, to discuss the results and the recommendations of the evaluation and their implication for the future collaboration of IFAD in the country. This will be an important step before the Government of Georgia and IFAD can sign the ACP.
104. The final report (about 60 pages main text in English), including the ACP, will be distributed in hard copies to partners in Georgia, posted on IFAD's public website as well as on other websites maintained by the UN Evaluation Group, the Evaluation Cooperation Group, the OECD-DAC Evaluation Networks, as well as other relevant websites. IOE will also elaborate shorter (2-page) documents that

are more reader friendly and cater for a broader audience: (i) an evaluation profile (summarising key findings) and (ii) an evaluation insight (dedicated to a single theme).

## VIII. Proposed schedule

<i>Activity</i>	<i>Date</i>
<b>Preparatory mission to Georgia</b>	<b>8 – 12 May 2017</b>
Draft approach paper for peer review within IOE	20 May
Draft approach paper for review within NEN	25 May
Revised approach paper shared with Government	25 May
Government comments on the approach paper	10 June
Approach paper finalised	16 June
<b>Main country mission</b>	<b>21 June-12 July 2017</b>
First draft report for IOE peer review	September
IOE peer review	December
Draft report shared with NEN and Government	October
Mission to Georgia a to discuss comments with Government and prepare workshop	October
Comments by NEN and Government	November
<b>CSPE national workshop</b>	<b>Week of 4 December 2017</b>
Finalise CSPE Agreement At Completion Point	3 months after workshop

## Evaluation framework

Evaluation Criteria	Evaluation Questions	Indicators and markers	How they will be assessed	Responsibility
<b>Rural Poverty Impact</b>	Q.1: What have been the impacts on rural poverty found by previous IOE evaluations?		Establish programme result contributions to rural poverty decrease using <ul style="list-style-type: none"> <li>• IOE evaluations,</li> <li>• PCRs/ICRs</li> <li>• Impact-level M&amp;E data, as available.</li> </ul> Benchmark against impacts reported from similar projects and/or projects working in the same area, and official poverty trends reported by GEOSTat.	Ali Rusudan
	Q1.1: Household income and assets	<ul style="list-style-type: none"> <li>• Changes in physical assets (farmland, water etc.)</li> <li>• Changes in the composition and level of household income</li> <li>• Changes in financial assets and/or debts</li> </ul>	Map contributions against ToC  Validation through field visits	
	Q1.2: Human and social capital and empowerment	<ul style="list-style-type: none"> <li>• Farmers' associations, cooperatives etc.</li> <li>• Access to information</li> <li>• Access to financial services</li> <li>• Education levels and health status</li> </ul>		
	Q.1.3: Food security and agricultural productivities	<ul style="list-style-type: none"> <li>• Availability of food</li> <li>• Land productivity, yields return to labour</li> <li>• Nutrition status</li> </ul>		
	Q.1.4: Institutions and policies	<ul style="list-style-type: none"> <li>• Local governance</li> <li>• Rural financial institutions</li> <li>• Agricultural cooperatives</li> <li>• Other service providers</li> </ul>		
	Q.2: Cross-cutting issues (impact)			
	Q2.1: Access to markets Have IFAD's strategies to address smallholder access to markets through lending and non-lending activities had any impact in terms of rural poverty reduction?	Extent to which projects and policy engagement have contributed to market access for smallholders <ul style="list-style-type: none"> <li>• Increased volume of sales</li> <li>• Diversified client base</li> </ul>	Desk review of project documents (PCR and IOE evaluations) Field visits (cooperatives, MFIs, SMEs) GEOSTat trade and export statistics	Konstantin
	Q2.2: Rural finance To what extent has IFAD supported an enabling environment for local MFIs through lending and non-lending activities?	Extent to which legal and policy issues have been advanced in design, supervision, and policy documents <ul style="list-style-type: none"> <li>• Effectiveness of policies on rural finance implemented through lending/non-lending activities</li> <li>• MFIs and credit unions strengthened (number of branches, staff trained, sustainability)</li> </ul>	Desk review of project documents Key informant discussions with national partners FGD (MFIs, private sector banks, MoA, MoF, Development partners)	Ali Konstantin
<b>Lending portfolio performance</b>				

Evaluation Criteria	Evaluation Questions	Indicators and markers	How they will be assessed	Responsibility
<b>Relevance of project designs</b>	<p>Q3: How well did the programme design align with IFAD and Georgia's Sector Policy and strategies including contextual changes?</p> <p>Were Government's priorities as well as the priority needs of smallholder farmers adequately reflected in the thematic structure of the portfolio (e.g. infrastructure, horticulture, livestock, irrigation rural finance)?</p>	<p>Extent to which IFAD analysed and aligned projects to national policy in design and strategy documents, and incorporated new policies through supervision documents.</p> <ul style="list-style-type: none"> <li>Alignment of project goals and objectives to Georgia sectoral policies at design</li> <li>Modification of project goals and objectives in line with contemporary changes to sectoral policies</li> </ul>	This includes a review of the Socio-Economic Development Strategy 2020, Strategy for Agricultural Development 2015-2020, National Water Strategy, the National Environmental Strategy, and other relevant national documents e.g. on finance, market access, rural institutions; COSOPs and selected IFAD policies (e.g. Rural Finance).	Ali Tornike
	<p>Q4: How coherent was the project design strategy (logframe coherence, linkages between the components, financial allocations, management structures) in supporting pro poor and environmental sustainability of the activities?</p> <p>How coherent was the choice of subsectors/themes to support the overall strategic (COSOP) goal?</p>	<ul style="list-style-type: none"> <li>Financing ratios of project components</li> <li>Staffing in PMUs and per component</li> <li>Changes to logframe</li> </ul>	Desk review of project documents and IOE evaluations: Formulation Report, appraisal Report, President's report. MTR, PCR, CE/PPA/IE	Ali Tornike
	Q5: Cross-cutting issues (relevance)			
	<p>Q5.1: <u>Access to Markets</u></p> <p>How have the factors limiting smallholder access to markets been addressed by the different projects?</p> <p>How did IFAD's strategy to address smallholder's access to markets evolve over time?</p> <p>What analysis was used to underpin the Value Chain approach?</p> <p>How did the adoption of a Value Chain approach change IFAD's engagement on the ground and are there any working examples yet?</p> <p>How relevant was the thematic and institutional focus of the grants (e.g. on horticulture) and was this sufficient to address Government priorities on value chains?</p> <p>How relevant was the focus on infrastructure for improving market access and value chains?</p>	<p>Extent to which market access context was understood at design and included in components</p> <ul style="list-style-type: none"> <li>Factors limiting smallholder access to markets incorporated into logframe</li> <li>Agricultural cooperatives and private sector intermediaries</li> </ul>	Desk review of project design documents, IOE evaluations	Konstantin
	<p>Q5.2: <u>Rural finance:</u></p> <p>What have been the principles underpinning the evolution of IFAD's strategy on rural finance in Georgia?</p> <p>To what extent are they aligned to Government and IFAD policies and strategies?</p>	<p>Degree to which IFAD's rural finance and value chain approach was responsive to and coherent with the context of smallholders and Government's policy thrust, and how different products were complementary in being able to lower</p>	<ul style="list-style-type: none"> <li>Project documents (ongoing and closed projects)</li> <li>Analysis from IFAD and other donor projects</li> <li>Rural finance sector data (credit unions, MFIs, TBC), policies and strategy documents</li> </ul>	Ali Konstantin

Evaluation Criteria	Evaluation Questions	Indicators and markers	How they will be assessed	Responsibility
	<p>To what extent did IFAD address the demand for different financial products?</p> <p>How coherent has the approach to rural finance been?</p> <p>How relevant is IFAD's approach to rural finance in the context of the EU accession process?</p> <p>To what extent did IFAD build on the analysis and institutional frameworks supported by other development partners (EU, FAO)?</p>	<p>thresholds.</p> <ul style="list-style-type: none"> <li>Number and nature of distinct approaches, products and institutions to enhance rural finance in projects</li> <li>Market studies undertaken at design and in implementation</li> </ul>		
	<p>Q5.3: <u>Rural institutions</u></p> <p>How relevant have strategic choices been with regard to the focus and scope for rural institution building?</p> <p>More specifically, what have been the key factors for the success or failure in the institutionalisation of land markets and food safety frameworks?</p> <p>Why has group mobilisation not been tested or used as an approach in the portfolio since RDPMHA?</p>	<p>Extent to which IFAD identified relevant institutions to achieve project goals and objectives, build their capacities, and meet the needs of smallholders</p> <p>Type and number of rural institutions engaged</p> <ul style="list-style-type: none"> <li>Strategies for rural institution's capacity building</li> <li>Increased number of land transactions</li> <li>Registration of food products</li> </ul>	<p>Desk review of project documents and IOE evaluations</p> <ul style="list-style-type: none"> <li>GEOSTat data on land titling and food safety Rationale for <u>not</u> using group mobilisation to achieve project goals and objectives</li> <li>Project documents and IOE evaluations</li> <li>Field visits to beneficiaries to identify success/failure factors, establish counterfactual</li> <li>Data and statistics from institutions</li> </ul>	Tornike
	<p>Q5.4: <u>Targeting</u></p> <p>How has the portfolio responded to IOE recommendations on targeting (geographic, direct, sectorial)?</p> <p>What were the lessons learned from IFAD's engagement in high mountainous areas and how did they inform the portfolio?</p> <p>How have projects and the country strategy targeted IDPs, and have these been adapted to changing circumstances (i.e. military conflict; ethnic tensions)?</p> <p>How appropriate have targeting strategies been, given the changes and trends in poverty, and the different geographic circumstances in Georgia?</p> <p>What has been IFAD's strategy to engage with youth, and to what effect?</p>	<p>Extent to which poor and marginalized people have been included in the projects</p> <ul style="list-style-type: none"> <li>Diversification of relevant project activities in mountain and highland areas/Central Belt in ASP and AMMAR</li> <li>Number of beneficiaries in break-away regions</li> <li>IDP beneficiaries</li> <li>Disaggregated beneficiary data by gender, age, IDP status</li> </ul>	<p>Contextual analysis: Poverty profiles, existing socio-economic analysis.</p> <p>Desk review of project documents: Formulation Report, appraisal Report, President's report. MTR, PCR, CE/PPA/IE</p> <p>Field visits to review socio-economic differentiation in target villages and how well this was captured by the existing project design documents and M&amp;E data.</p>	Rusudan
	<p>Q.5.5: <u>Research and technology development</u></p> <p>What were the results and lessons from the prior focus on research and technology development (RDP, RDPMHA)?</p> <p>How does the renewed focus on agricultural extension link to the initiatives supported by other development</p>	<p>Extent to which agricultural research and technology has been incorporated into the portfolio:</p> <ul style="list-style-type: none"> <li>Increase in productivity, yields and agricultural incomes</li> <li>Farm models developed</li> </ul>	<p>Desk review of IOE evaluations and project documents: MTR, supervision reports, PCR</p> <p>Field visits: direct observation and interviews with beneficiaries and other key stakeholders (researchers and extension agents)</p>	Ali Tornike Konstantin

Evaluation Criteria	Evaluation Questions	Indicators and markers	How they will be assessed	Responsibility
	partners (FAO, EU)? How could the various instruments, including grants, have been used more effectively to support research and technology development on policy-relevant issues?	<ul style="list-style-type: none"> <li>Adoption rate of techniques and farm models</li> </ul>		
<b>Effectiveness of projects</b>	Q6: How has effectiveness been assessed in previous IOE evaluations? What were the main factors affecting effectiveness in the closed projects? What explains the poor performance (as rated by IOE) of the RDPHMA project?	<ul style="list-style-type: none"> <li>Project outcomes assessed</li> </ul>	Desk review of IOE evaluations and project documents: MTR, supervision reports, PCR	Ali (Nick)
	Q7: Cross-cutting issues (effectiveness)			
	Q7.1: <u>Access to markets</u> : How effective have IFAD operations and non-lending activities been in addressing limiting factors to access markets and at what levels? How effective have been IFAD's investments into infrastructure for improving access to markets and value chains?	Extent to which projects and non-lending activities have shaped beneficiary access to markets: <ul style="list-style-type: none"> <li>Number of SMEs accessing foreign markets</li> <li>Number of SMEs selling to producers and wholesalers for export</li> <li>Presence and effectiveness of market intermediaries (cooperatives, wholesalers)</li> <li>Number of beneficiaries selling outside of municipality</li> <li>Share of production going to market</li> </ul>	Desk review of IOE evaluations and project documents: MTR, supervision reports, PCR Review of project M&E data, financial institution data, and GEOSTat data Field visits to beneficiaries	Konstantin  Tornike
	Q7.2: <u>Rural finance</u> : What have been the strengths and weaknesses of the different models used in the portfolio to provide financial services to the rural poor? What are the overarching and common issues? How effective have the various financial intermediaries (Credit Unions, MFIs, leasing companies) and their products been in improving smallholder access to rural financial services?	Comparative analysis of rural finance models used by the portfolio <ul style="list-style-type: none"> <li>Cost/beneficiary per model</li> <li>Disaggregated beneficiary outreach</li> <li>Repayment rates</li> <li>Rotation of loans</li> </ul>	Desk review of IOE evaluations and project documents: Design, MTR, supervision reports, PCR FGD Cost analysis of models based on financial data from rural finance partners (credit unions, MFIs, TBC leasing)	Ali Konstantin
	Q7.3: <u>Rural institutions</u> How has IFAD mobilised resources (loans, grants, KM, staff) and influence (partnerships) at the policy level to push forward policy and institutional framework activities? How effective have these measures been?	Establish frameworks and institutions targeted, models used, and efficacy of these to reach project goals and objectives and the needs of beneficiaries <ul style="list-style-type: none"> <li>Institutional capacity improved</li> <li>Number of institutions/branches established and still functioning</li> </ul>	<ul style="list-style-type: none"> <li>Desk review of IOE evaluations, project documents (Design, MTR, supervision reports, PCR), policies, grants (where relevant)</li> <li>Field visits (beneficiaries, institutions at central and/or field level)</li> </ul>	Tornike



Evaluation Criteria	Evaluation Questions	Indicators and markers	How they will be assessed	Responsibility
		<ul style="list-style-type: none"> <li>Beneficiaries reached with services</li> </ul>		
	<p>Q7.4. <u>Contributions from grants</u></p> <p>Did the additional support through grants help build critical capacities or otherwise contribute to the achievement of results?</p>		<ul style="list-style-type: none"> <li></li> </ul>	Ali Tornike Konstantin
<b>Efficiency of projects</b>	<p>Q8: How has efficiency been assessed in previous IOE evaluations? What were the main factors affecting efficiency in the closed projects? What are the trends in the ongoing project?</p> <p>What was the value for money for infrastructure projects?</p>	<p>analysis of project financial data and IOE evaluations for key efficiency indicators:</p> <ul style="list-style-type: none"> <li>Effectiveness gap</li> <li>Management costs</li> <li>Levels of staffing</li> <li>Disbursement rates</li> <li>Cost/beneficiary</li> <li>Unit costs (benchmarked against other projects and Government unit costs)</li> <li>Economic Rate of Return</li> <li>Compliance with loan agreements and loan conditions</li> </ul>	<p>This will be done through documents review plus review of field evidence (ongoing projects)</p> <p>Financial data from projects</p> <p>Interviews with project finance officers where available</p>	Ali (Nick)  Tornike
<b>Sustainability of benefits</b>	<p>Q9: Do project activities benefit from the engagement, participation and ownership of local communities, grass-roots organisations and the rural poor, and are adopted approaches technically viable?</p>	<p>Extent to which IFAD activities are economically viable and sustainable since project closure</p> <ul style="list-style-type: none"> <li>Ownership of infrastructure (beneficiaries, municipalities, other)</li> <li>Percentage of beneficiaries in administrative positions of institutions</li> <li>Source of financing and O&amp;M (infrastructure and institutions)</li> </ul>	<p>Document review of Supervision reports, PCRs and IOE evaluations</p> <p>Key informant interviews (IFAD; Regional and municipal level staff, selected institutions; other development partners)</p>	Ali Rusudan
	<p>Q10: How far have the improvements continued and been replicated by others (such as other donors, private sector, and local governments)?</p>	<p>Degree to which IFAD activities and investments are being used and adapted to local government, national policy and development partner activities</p> <ul style="list-style-type: none"> <li>Municipality/regional government/national policies using IFAD pioneered activities/investments</li> <li>Donors using IFAD pioneered activities/investments</li> </ul>	<p>Key informant interviews (IFAD; Regional and municipal level staff, selected institutions; other development partners)</p>	Ali Tornike Rusudan

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	Q11. Is irrigation water provided by ASP still available? If so, is it being used in a sustainable manner (availability, technology, pricing)?	Extent to which beneficiaries' access to water continues to provide benefits, is sustainable and conflict-free <ul style="list-style-type: none"> <li>Source of financing and O&amp;M (infrastructure and institutions)</li> <li>Improved yields and income</li> </ul>	Key informant interviews (beneficiaries, regional and municipal level staff, selected institutions; other development partners) Field visits and direct observation	Ali Tornike
	Q12: What external factors have affected sustainability (e.g. security, political interference)?	Extent to which external events have negatively impacted benefits of IFAD activities <ul style="list-style-type: none"> <li>Liquidation of institutions</li> <li>disuse of infrastructure</li> </ul>	Key informant interviews (beneficiaries, regional and municipal level staff, selected institutions; other development partners) Field visits and direct observation	Ali Tornike Rusudan
	Q13: Cross-cutting issues (sustainability)			
	Q13.1: <u>Rural finance</u> : How sustainable are the rural financial institutions supported by IFAD? Do any (i.e. credit unions) still function?	Degree to which IFAD-supported approaches, institutions and products used continued after project closure, and/or contributed to health of rural finance sector <ul style="list-style-type: none"> <li>Incorporation of approaches, institutions and products into local and national policies</li> <li>Financial health and independence of rural finance institutions (credit unions, MFIs, leasing companies)</li> </ul>	Key informant interviews (beneficiaries, regional and municipal level staff, selected institutions; other development partners) through FGD Field visits and direct observation	Ali Konstantin
	Q13.2: <u>Rural institutions</u> : How sustainable were benefits from institutions supported by IFAD (e.g. Food Safety Agency, Agency for Public Registry)?	Degree to which services provided continued after project closure, and that these continue to contribute positively to rural poverty reduction. <ul style="list-style-type: none"> <li>Institutions that continue to provide services</li> <li>Increase in rural land transactions</li> <li>Number and type of agricultural SMEs register products at food safety agency</li> </ul>	Key informant interviews (beneficiaries, selected institutions; other development partners) through FGD Field visits and direct observation Review of GEOSTat statistics	Ali Tornike (Konstantin)
<b>Other performance criteria (lending portfolio)</b>				
<b>Gender equality and women's empowerment and youth</b>	Q14: To what extent did the projects overcome the limitations on women's participation in activities? Are there any good practices that could inform future projects?	<ul style="list-style-type: none"> <li>Women in leadership positions of rural institutions</li> </ul>	Desk review: Gender differentiated analysis of beneficiary data; project documentation Project visits and stakeholder interviews (project management, service providers, women)	Rusiko (Nick)
	Q15: What were the project's achievements in terms of promoting gender equality and women's empowerment	This include assessing whether there are changes to:	Contextual analysis: practices documented from similar projects	Rusiko

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	and which mechanisms and interventions were most effective in supporting women?	<ul style="list-style-type: none"> <li>women's and youth access to resources, assets and services;</li> <li>women's and youth influence in decision making;</li> <li>workload distribution among household members;</li> <li>women's health, skills, income and nutritional levels;</li> <li>gender relations within HH, groups and communities in the project area.</li> </ul>	<p>Key informant interviews (IFAD; local government and regional level staff, former project staff, selected cooperatives and other groups)</p> <p>Focus group discussions (selected groups of beneficiaries)</p>	(Nick)
	Q16: What were the project strategies to promote gender equality and women's empowerment? To what extent did it reaffirm or transform existing values and norms and/or the ascribed roles and power relations with regard to gender?		Review of IOE evaluations, design, MTR, PCR	Rusiko (Nick)
	Q17: To what extent did projects define and monitor sex-disaggregated results (at COSOP and project levels) to ensure that gender equality and women's empowerment objectives were being met? Was the project implementation structure adequate to support effective implementation of gender equality and women's empowerment goals?	<ul style="list-style-type: none"> <li>Number and quality of sex-disaggregated M&amp;E indicators</li> <li>Gender specialists in PMU, local government</li> </ul>	Review of IOE evaluations, COSOPS, Project logframes, MTRs, PCRs	Rusiko (Nick)
	Q18: Did programmes monitor the disaggregated use of resources to invest in activities promoting gender equality and women's empowerment, and if so, how do they compare to each other?	<p>Extent to which projects had provided adequate resources to promote GEWE activities</p> <ul style="list-style-type: none"> <li>Ratio of funding dedicated to gender equality and women's empowerment/total project costs</li> </ul>	Review of IOE evaluations, project financial data	Rusiko (Nick)
<b>Environment and Natural Resource Management</b>	<p>Q19: Environment and natural resources management – how this was addressed within the portfolio, e.g. through:</p> <ul style="list-style-type: none"> <li>Land management/degradation</li> <li>Infrastructure development in mountainous areas</li> <li>Community participation</li> <li>Water availability/scarcity</li> </ul> <p>Did projects capture the lessons learnt from previous investment projects and grants?</p>	<ul style="list-style-type: none"> <li>Deforestation and erosion rates</li> <li>Improved management of resources (forests, pastures, water)</li> <li>O&amp;M of infrastructure and management mechanisms</li> </ul>	<p>Review of IOE evaluations, design, MTR, PCR, GEOSat statistics</p> <p>Field visits and direct observation</p> <p>Interviews with stakeholders (beneficiary groups, local governments, ministries, other development partners with projects in area)</p> <p>FGD on land tenure</p>	Ali Tornike
<b>Adaptation to</b>	Q20: Adaptation to climate change – how this was	Extent to which climate change adaptation was incorporated and implemented in the	Review of IOE evaluations, design, MTR, PCR	Ali

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<b>climate change</b>	addressed within the portfolio, e.g.: <ul style="list-style-type: none"> <li>Climate smart practices</li> <li>Disaster preparedness measures</li> </ul>	portfolio <ul style="list-style-type: none"> <li>Technology adoption rate</li> </ul>	Field visits and direct observation Interviews with stakeholders (beneficiary groups, local governments, ministries)	Tornike
<b>Innovation</b>	Q21: What evidence is there that practices introduced by the programme were innovative?	<ul style="list-style-type: none"> <li>Presence of similar practices at the municipal, regional or country level</li> </ul>	Project documents and selected development partner projects Key informant interviews (IFAD; local and regional level staff, former project staff, selected groups)	Ali Tornike
	Q22: What are the characteristics of innovations promoted and are they consistent with IFAD definition?	Explanation of innovation's characteristics and their alignment to IFAD definition	Focus group discussions (selected groups of beneficiaries) IFAD Innovation policy	Ali Tornike
<b>Scaling up</b>	Q23: What evidence is there that practices introduced by the programme have been scaled up?	Extent to which Government and other donor partners have incorporated IFAD practices into their own projects and strategies. <ul style="list-style-type: none"> <li>Government cofinancing ratio of similar practices/projects</li> <li>Financing of similar practices/projects by other partners and organisations</li> </ul>	Project documents and selected development partner projects Key informant interviews (IFAD; local and regional level staff, former project staff, selected groups) Focus group discussions (selected groups of beneficiaries) IFAD's operation framework for scaling up	Ali Tornike
	Q24: What were the mechanisms used for scaling up? Do these originate from Government (at different levels), private/NGO sector, or donors?	Explanation of how scaling up of IFAD practices/projects was implemented		Ali Tornike
<b>Non-lending portfolio</b>				
<b>Relevance of non-lending activities</b>	Q25: Are policy dialogue, partnership building and knowledge management objectives clearly outlined in the COSOP? Are they relevant to the IFAD programme as a whole? Activities that were not foreseen – how relevant were they? How well are <u>grants</u> aligned to the COSOP objectives and focus?	Extent to which non-lending activities were reasonably incorporated into the COSOP <ul style="list-style-type: none"> <li>Non-lending activities planned for COSOP duration</li> <li>Compatibility of activities with projects and IFAD/Government policies</li> </ul>	Review of non-lending activities through <ul style="list-style-type: none"> <li>Review of grants portfolio</li> <li>(Selected) grants documents</li> <li>Interviews with grant managers and grantees</li> <li>COSOP and Country Strategy Note documents</li> <li>In-country interviews with key stakeholders (Government, development partners, NGOs, private sector)</li> <li>FGDs</li> </ul>	Johanna Nick
	Q26: Were resources earmarked for non-lending activities and explicitly outlined in the COSOP (e.g. through grants or administrative budget)	Degree to which grants and other resources (e.g. funding, time) were programmed and available for non-lending activities to be realistically implemented <ul style="list-style-type: none"> <li>Grants funding non-lending activities</li> <li>Planned yearly activities</li> </ul>		Johanna Antonella Marine Nick
	Q27: How were the work and role of other partners taken into account in selecting the focus of non-lending	Extent to which analysis and dialogue with partners was sufficient and sound enough		Johanna

Evaluation Criteria	Evaluation Questions	Indicators and markers	How they will be assessed	Responsibility
	activities? How coherent was the selection of <u>grants</u> and grantees in the context of the COSOP?	to inform non-lending activities <ul style="list-style-type: none"> <li>Analysis and studies used to establish strategic goals</li> <li>IFAD's participation in donor-coordinated studies</li> <li>Number of days with other donor partners</li> </ul>		Marine
	Q28: Did the non-lending activities contribute to a coherent country programme strategy?	Extent to which non-lending activities mutually reinforced intended outcomes of the overall country strategy <ul style="list-style-type: none"> <li>Mix and complementarity of lending/non-lending activities</li> </ul>		Johanna Marine
	Q28.1: <i>Policy engagement</i> . Were the intended focus included in the COSOP realistic? What has been achieved? How has IFAD refined its approach to policy engagement in Georgia over the COSOP period? How were the grants expected to support policy engagement? And were the expected outputs/contributions from grants realistic?	Extent to which policy engagement was based on and continuously updated on sound analysis of Government capacity and engagement <ul style="list-style-type: none"> <li>Explicit strategy on policy engagement in COSOP</li> <li>Consistent follow-up in supervision</li> <li>Documentation of results</li> <li>Evidence of inputs and results in areas of strategic focus (land registration, rural finance)</li> <li>Number and quality of policies adopted, and/or of policy tools implemented in portfolio</li> </ul>		Marine
	Q28.2: <i>Partnership building</i> . How did IFAD follow up on the RDP PPA recommendation to broaden the partnerships in regards to building capacities of food safety agencies? How appropriate was the choice of partners? How strategic have partnerships been in the financial sector (e.g. National Bank of Georgia)? How have partnerships with public and private sector organizations been chosen, and to what effect? How important were grants to build strategic partnership, for example in the financial sector or for support of high mountain areas?	Extent to which IFAD responded to IOE recommendations on reinforcing food safety agencies through lending and non-lending activities since 2014 <ul style="list-style-type: none"> <li>Suitability of partners to achieve strategy goals</li> </ul> Extent to which financial partners were considered in being able to achieve long-term goals and in leveraging resources <ul style="list-style-type: none"> <li>Methods used to achieve partnerships</li> <li>Number, diversity and complementarity of: co-financing partnerships; implementation partners; dialogue partners</li> <li>Appropriateness and complementarity</li> </ul>		Marine Konstantin

Evaluation Criteria	Evaluation Questions	Indicators and markers	How they will be assessed	Responsibility
		of planned and implemented activities		
	<p>Q28.3: <i>Knowledge management</i>.</p> <p>Are knowledge management activities outlined in the COSOP and/or is there a specific strategy for KM?</p> <p>Are the available resources (including staff resources) appropriate?</p> <p>What was the significance and role of grants in KM?</p> <p>What was the role of the regional division in the support of KM activities in Georgia and at what levels (national, regional)?</p> <p>To what extent have lessons from success and failure in the financial sector been learned in IFAD's operations (e.g. credit unions)?</p>	<p>Extent to which KM featured and reinforced lending and non-lending activities</p> <p>Extent to which IFAD's experience in rural finance has been strategically mobilised</p> <ul style="list-style-type: none"> <li>• NEN KM strategy implemented in Georgia</li> <li>• Regional exchanges</li> </ul>		Johanna Marine Konstantin
	<p>Q28.4 <u>Grants portfolio</u></p> <p>To what extent did the grants theme address the strategic priorities of COSOP and the Government of Georgia?</p> <p>How relevant and coherent was the selection of grantees?</p> <p>How relevant and coherent was the mix of different grants instrument?</p> <p>Were the choices of national or regional focus respectively appropriate and what were the advantages and disadvantages?</p>			Antonella Marine
<b>Effectiveness of non-lending activities</b>	<p>Q29: To what extent and in what way did the non-lending activities achieve the stated objectives? Could the same objectives be achieved in a more cost-effective way?</p>	<p>Effectiveness and efficiency of non-lending activities to achieve COSOP goals</p> <ul style="list-style-type: none"> <li>• Results documented for other non-lending activities</li> <li>• Contribution to projects</li> </ul>		Johanna Marine
	<p>Q29.1: <i>Knowledge management</i>.</p> <p>To what extent did lessons from earlier projects and grants inform new project designs?</p> <p>What KM results are documented?</p>	<p>Extent to which World Bank and IFAD completion reports, KM products and IOE evaluations informed new projects</p> <ul style="list-style-type: none"> <li>• Practical experiences documented and disseminated (nationally, regionally)</li> <li>• Activities (number and type)</li> <li>• Interaction between NEN and country</li> <li>• Incorporation of learning into Country</li> </ul>		Johanna Antonella

Evaluation Criteria	Evaluation Questions	Indicators and markers	How they will be assessed	Responsibility
		Strategy Note		
	Q29.2: <i>Policy engagement</i> . To what extent did IFAD attempt to influence policy-level issues or regulatory frameworks (e.g. on land registration, rural finance)? Are there any lessons that should be learned for the upcoming strategy? How effective was the engagement around issues of access to markets and rural finance?	Degree to which IFAD used in-house knowledge and resources to engage and inform Government on policy <ul style="list-style-type: none"> <li>• Expertise in supervisions</li> <li>• Engagement through supervision and KM events</li> </ul>		Tornike Marine
	Q29.3: <i>Partnership building</i> . To what extent did new partnerships, e.g. TBC leasing, enhance the effectiveness of IFAD operations?	<ul style="list-style-type: none"> <li>• Co-financing increases outreach and impact</li> </ul>		Marine
	Q29.4: <i>Grants</i> . What were the specific contributions from grants to lending operations and non-lending activities? To what extent have new technologies developed with grant support been disseminate in lending operation? What tangible benefits can be attributed to the introduction of new technologies and how equitable was the distribution of these benefits?	Extent to which grant products were incorporated into project design and through supervision, and whom they benefitted <ul style="list-style-type: none"> <li>• Inclusion of grant-funded practices and technologies into projects</li> </ul>		Antonella
	Q30: To what extent did the non-lending activities contribute to the replication and/or scaling up of innovations promoted by IFAD?	Extent to which Government and partners learnt from IFAD processes		Johanna Marine
	Q31: Strategic and cross-cutting issues (non-lending activities)			
	Q31.1: <i>Engagement (policy engagement)</i> . What levels of engagement has IFAD been able to maintain on policy-related issues? How did IFAD and other development partners contribute to the drafting and implementation of national agricultural strategies over the evaluation period?	Degree to which IFAD was present and contributed to policy processes <ul style="list-style-type: none"> <li>• Supervision expertise</li> <li>• Interaction with Government and policy makers through supervision</li> </ul>	Review of non-lending activities through <ul style="list-style-type: none"> <li>• Review of grants portfolio</li> <li>• (Selected) grants documents</li> <li>• Interviews with grant managers and grantees</li> <li>• COSOP documents</li> <li>• In-country interviews with key stakeholders (Government, development partners, NGOs, private sector)</li> <li>• FGDs</li> </ul>	Johanna Marine
	Q31.2: <i>Rural institutions (Partnership building)</i> . How have partnerships with implementing and focus partners (i.e. TBC leasing, food safety agency) been chosen, and to what effect?	Extent to which sound analysis was the basis for the rationale of partner choice <ul style="list-style-type: none"> <li>• Review of partners and inclusion of these in projects and/or non-lending activities</li> </ul>		Marine

Evaluation Criteria	Evaluation Questions	Indicators and markers	How they will be assessed	Responsibility
<b>Partner performance</b>				
<b>IFAD</b>	Q32: How did IFAD as a partner perform (a) at project level (see Q31-33), and (b) with regard to the overall country programme management and the related processes?	<p>Key questions and indicators include:</p> <ul style="list-style-type: none"> <li>• Administrative budget appropriate to ensure proper supervision and implementation support</li> <li>• Were the support, time and resources for non-lending activities adequate?</li> <li>• Did IFAD exercise its developmental and fiduciary responsibilities adequately?</li> <li>• What was the IFAD's role in generating innovative solutions, scaling up initiatives, and identifying new funding sources?</li> <li>• What is the quality of the COSOP results management framework, project status reports and aggregated RIMS reports and country programme sheets, annual COSOP reports and were Management actions appropriate?</li> <li>• Number and length of supervision missions</li> <li>• Relevance of expertise mobilised in supervision missions</li> <li>• Use of no objection clauses</li> </ul> <p>Adoption and timeliness of supervision mission recommendations.</p>	<ul style="list-style-type: none"> <li>• Supervision reports</li> <li>• Annual progress reports</li> <li>• ICO capacity assessment tool</li> <li>• Stakeholder interviews</li> <li>• Stakeholder survey (web survey)</li> <li>• FGDs</li> </ul>	Johanna Nick
	<p>Q33: Strategic issues – <u>Engagement</u> (<i>Performance of IFAD</i>)</p> <p>To what extent has IFAD maintained good levels of engagement on lending and non-lending activities?</p> <p>How did country management respond to changes in Government priorities, and did this ensure continuity of IFAD and national strategy objectives?</p>		<ul style="list-style-type: none"> <li>• Supervision reports</li> <li>• Annual progress reports</li> <li>• ICO capacity assessment tool</li> <li>• Stakeholder interviews</li> <li>• Stakeholder survey (web survey)</li> <li>• FGDs</li> </ul>	Johanna Nick
<b>Government</b>	Q34: How did Government as a partner perform (a) at project level, and (b) with regard to the overall country programme management and the related processes?	<p>Key questions and indicators include:</p> <ul style="list-style-type: none"> <li>• Did Government partners provide the agreed counterpart resources (funds and staffing in a timely manner?</li> <li>• Were programme management units set up and properly staffed?</li> </ul>	<ul style="list-style-type: none"> <li>• Supervision reports</li> <li>• Annual progress reports</li> <li>• ICO capacity assessment tool</li> <li>• Stakeholder interviews</li> <li>• Stakeholder survey (web survey)</li> <li>• FGDs</li> </ul>	Johanna Nick



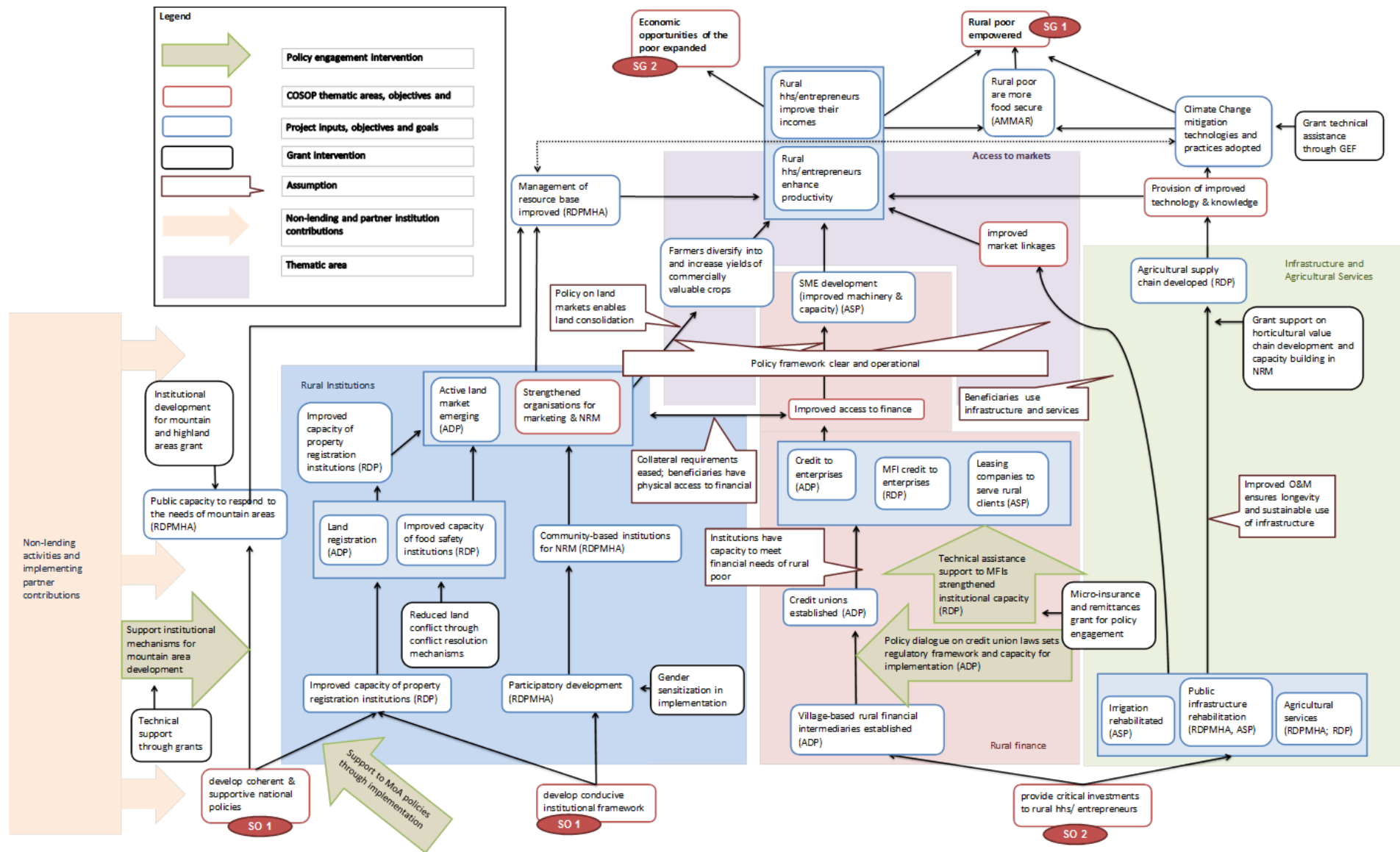
Evaluation Criteria	Evaluation Questions	Indicators and markers	How they will be assessed	Responsibility
		<ul style="list-style-type: none"> <li>Did the flow of funds and procurement procedures ensure timely implementation?</li> <li>Were the programme coordinating mechanisms functioning and effective?</li> <li>What mechanisms were there to ensure effective coordination and communication between relevant actors working in the same sector?</li> <li>Did Government fulfil all the fiduciary obligations as agreed? Were audit reports done and submitted as needed?</li> <li>Did Government put into place any mechanisms for scaling up innovative practices?</li> </ul>		
	Q35: Were the M&E systems set up properly and did they provide timely and accurate information?	<p>Extent to which M&amp;E systems were effective in providing management with appropriate and high quality data to maintain a proper M&amp;E and management function</p> <ul style="list-style-type: none"> <li>Quality and appropriateness of indicators</li> <li>Key functions (baseline, implementation surveys, impact assessments) conducted on a timely and effective manner</li> </ul>	<p>Review of M&amp;E data, supervision missions, MTR, IOE evaluations</p> <p>Key stakeholder interviews (MoA M&amp;E staff, project managers)</p>	Nick
<b>Country programme strategy</b>				
<b>Relevance of the country programme strategy</b>	Q36: Alignment of strategic objectives Were the strategic objectives identified in the COSOP aligned with the Government's strategies and policies, and consistent with the overarching objectives of IFAD's corporate strategies and policies?		<ul style="list-style-type: none"> <li>COSOP documents review</li> <li>Focus group discussions (key stakeholders and partners)</li> <li>Stakeholder survey (web survey)</li> </ul>	Johanna
	Q37: Strategic coherence Does the COSOP constitute a coherent programme? Were the most appropriate strategy elements and subsectors chosen, based on robust analysis? Was the strategy informed by relevant experiences and lessons learned in the country?		<ul style="list-style-type: none"> <li>COSOP documents review</li> <li>Focus group discussions (key stakeholders and partners)</li> <li>Stakeholder survey (web survey)</li> </ul>	Johanna
	Q38: IFAD's role and positioning Does the strategy reflect IFAD's comparative advantage		<ul style="list-style-type: none"> <li>COSOP documents review</li> <li>Focus group discussions (key</li> </ul>	Johanna

Evaluation Criteria	Evaluation Questions	Indicators and markers	How they will be assessed	Responsibility
	and core competencies? To what extent did partnerships with other bilateral and multilateral donors contribute to strengthening IFAD's role and position? To what extent and how has IFAD been able to maintain appropriate levels of engagement without a country presence?		stakeholders and partners) • Stakeholder survey (web survey)	
	Q39: <u>Strategic issues – (COSOP Relevance)</u>			
	Q39.1: <u>Engagement</u> How have partnerships with organizations been chosen, and to what effect? In the absence of a country presence, how important were partnerships with other development partners (in particular World Bank, USAID and European Union) to increase outreach and impact on the ground? To what extent has IFAD been coordinating its approach with other key development partners in the sector, e.g. through links into institutional and policy frameworks supported by others? How attractive is IFAD as a partner?		<ul style="list-style-type: none"> <li>• COSOP documents review</li> <li>• Desk review of project design, supervision, IOE evaluations, relevant policies</li> <li>• Interviews with key stakeholders (project managers, implementing partners, IFAD staff)</li> </ul>	Johanna
	Q39.2: <u>Context – risk management</u> How well have risks been understood and managed? Have these been incorporated into IFAD strategies? Were there any risk assessments or mitigation measures at design for such circumstances?	Degree to which risks were anticipated, identified, and mitigated at design and supervision by IFAD/World Bank, and through policy engagement <ul style="list-style-type: none"> <li>• Risks identified at design</li> <li>• Mitigation strategies incorporated at design</li> <li>• Problems identified through supervision</li> <li>• Problems solved as identified in supervision</li> </ul>	<ul style="list-style-type: none"> <li>• Desk review of project design, supervision, IOE evaluations, relevant policies</li> </ul>	Ali (Tornike)
<b>Effectiveness of the country programme strategy</b>	Q40: Achievement of results	<ul style="list-style-type: none"> <li>• Results supported by evidence against ToC</li> <li>• Results from lending and non-lending activities mapped against ToC</li> </ul>		
	Q40.1: To what extent were the COSOP's main strategic objectives achieved? To what extent can the Theory of Change underlying the COSOP be confirmed?		COSOP documents review IOE evaluations review Documented programme results	Nick

Evaluation Criteria	Evaluation Questions	Indicators and markers	How they will be assessed	Responsibility
	Q40.2: What are the unexpected results and how have they been achieved?		Documented programme results IOE evaluations review	Nick
	Q40.3: What changes in the context have influenced the achievement of the strategic objectives? Was the COSOP properly adjusted to reflect changes in the context?		COSOP documents review IOE evaluations review Focus group discussions (Government partners) Stakeholder survey (web survey)	Nick
	Q40.4: What are the documented results from capacity development and how accurate and plausible are those data? What are the aggregated results from IFAD-supported lending and non-lending activities? To what extent did IFAD support transformative change processes, e.g. on gender?		Review of M&E data and IOE evaluations Meetings with M&E officers	Nick
	Q41: What has been the contribution of the IFAD-funded activities? To what extent did the grants help to achieve the overall COSOP objectives? What were the main changes and outcomes where IFAD's contribution has made a difference? More specifically, what was the particular value-added of IFAD's contribution? And how could this be verified (e.g. through comparison with similar projects supported by Government or other development partners).		COSOP documents review IOE evaluations review FGDs Stakeholder feedback Documented results	Nick
	Q42: <u>Strategic issues (COSOP effectiveness)</u>			
	Q42.1 – <u>Risk management</u> What were the factors underpinning the performance of activities related to different national frameworks in the portfolio? What were identified risks in the portfolio? How were they addressed? Did IFAD country management and Government take appropriate mitigation measures to risks related to military conflict and ethnic tension?	Extent to which supervision dealt with mitigation of risks <ul style="list-style-type: none"> <li>Number and type of activities per framework</li> <li>Achievement against target per activity</li> <li>Risk assessments and mitigation measures designed and implemented</li> </ul> How did IFAD approach (and follow-through) the issue of land titling in a context of changing political priorities?	This involves reviewing IOE evaluations to understand the performance factors and mechanisms used for service delivery of activities <ul style="list-style-type: none"> <li>Desk review of national policies, IOE evaluations and project documents: MTR, supervision reports, PCR</li> </ul> Interviews with former PMU staff	Nick

Evaluation Criteria	Evaluation Questions	Indicators and markers	How they will be assessed	Responsibility
	<p>Q42.2: <u>Strategic issues - military conflict and ethnic tensions (COSOP effectiveness)</u></p> <p>What measures did IFAD take to ensure outreach and sustainability of project activities in fragility-prone areas?</p> <p>Where they effective?</p>	<p>Extent to which IFAD set up measures to minimise possible disruption of activities</p> <ul style="list-style-type: none"> <li>Existence and quality of project exit strategies</li> </ul>	<p>Desk review of Supervisions, PCRs, IOE evaluations</p> <p>Key informant interviews (beneficiaries, regional and municipal level staff, selected institutions; other development partners)</p> <p>Field visits and direct observation</p>	Nick
	Q43: How well were the risks affecting programme performance analysed and managed in the COSOP?		<p>COSOP documents review</p> <p>IOE evaluations review</p> <p>Expert analysis</p>	Nick
	Q44. • How well is IFAD placed to support Government on priority issues such as reform of the (rural) financial sector and value chains? Is the current focus on infrastructure appropriate given IFAD's strategic role in the sector? What is the type of support expected from Government? And how could IFAD work more effectively with other partners to mobilise the critical levels of support needed? (CSP relevance)			

# Theory of change



## List of IFAD-supported operations in Georgia since 1997

Project ID	Project Name	Project Type	Total cost (US\$ million)*	IFAD financing	Co-financing **	Government financing	Executive Board approval	Loan effectiveness	Project completion date	Cooperating Institution	Project status
1035	Agricultural Development Project (ADP)	CREDI	27.1	6.6	20	0.5	30/04/1997	13/08/1997	30/06/2005	World Bank	Financial Closure
1147	Rural Development Programme for Mountainous and Highland Areas (RDPMHA)	AGRIC	9.2	8	0.6	0.7	13/09/2000	04/09/2001	30/09/2011		Financial Closure
1325	Rural Development Project (RDP)	CREDI	34.7	10	22.2	2.5	19/04/2005	22/05/2006	31/12/2011	World Bank	Financial Closure
1507	Agricultural Support Project (ASP)	RURAL	22.2	18.7	1.2	2.3	17/12/2009	08/07/2010	30/09/2015		Financial Closure
1760	Agricultural Modernization, Market Access and Resilience Project (AMMAR)	RURAL	35	13.3	19.3	2.5	01/09/2014	28/05/2015	30/06/2019		Available for Disbursement

\* Includes international, domestic and beneficiary co-financing

Source: IFAD GRIPS 2017

## List of IFAD-supported grants in Georgia since 1997

<i>Project/grant name</i>	<i>Project ID</i>	<i>Grant number</i>	<i>Grant amount (US\$)</i>	<i>Grant recipient</i>	<i>Approval date</i>	<i>Effective date</i>	<i>Completion date</i>
Agricultural Development Project	1000001806	G-I-S-30-	72,000	Ministry of Finance	28/01/1997	29/04/1997	31/03/2002
Livestock Restocking Project	1000000621	G-I-N-135-	75,000	Relief International	30/12/1998	08/10/1999	07/10/2000
Rural Development Programme For Mountainous And Highland Areas	1000001730	G-I-S-103-	80,000	Ministry of Finance	17/10/2000	17/11/2000	30/09/2004
To Partially Finance The Establishment Of The Caucasus Mountain Network Within Rcp Between Azerbaijan And Georgia	1000000686	G-I-N-190-	70,000	Swiss Group for Mountain Areas	07/12/2000	12/09/2001	30/09/2007
To Partially Finance The Establishment Of The Caucasus Mountain Network With Rcp Between Georgia And Azerbaijan	1000000687	G-I-N-191-	70,000	Swiss Group for Mountain Areas	07/12/2000	12/09/2001	30/09/2007
Endowment For Community Mobilization Initiatives In Western Georgia ECMI Project	1000000125	G-C-CEF-06-3	55,000	Association for the Protection of Landowner Rights	08/08/2003	09/05/2003	01/25/2005
To Cover Cost Of Gender Consultant For One Year	1000000415	G-C-NL-543-	6,000	Ministry of Finance	17/05/2005	10/06/2005	10/06/2006
Financing Facility For Remittances: Testing New Channels And Products To Maximize The Development Impact Of Remittances For The Rural Poor In Georgia	1000003076	G-C-LU-1-	150,875	International Organization for Migration	19/03/2008	21/04/2008	30/09/2010
Crystal Reaching Georgia's Rural Poor Through Mobile Remittances	1000003747	G-C-SP-13-	250,000	Crystal Fund	22/06/2010	30/06/2010	30/06/2012
Georgia: Capacity Building For Enhancing Agricultural Resilience And Competitiveness	2000000248	200000024800	500,000	Ministry of Agriculture	16/12/2013	18/12/2013	31/12/2016

Train Dev Country Journalists	2000000309	200000030900	313,148	Thompson Reuters Foundation	14/12/2014		31/03/2017
Promoting Inclusive Horticultural Value Chains In Armenia, Georgia, Kazakhstan And Moldova	2000001021	200000102100	1,770,000	National Federation of Agricultural Producers from Moldova	30/12/2015	21/03/2016	02/08/2019
Managing Risks For Rural Development: Promoting Microinsurance Innovations	2000001316	200000131600	1,800,000	MicroInsurance Centre	14/12/2016		

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Source: IFAD GRIPS 2017



## Comparison of key aspects of the 1999 SUSOP, 2004 COSOP, and 2014 CSN

	SUSOP 1999	COSOP 2004	CSN 2014
<i>Strategic objectives</i>	None	SO1: Develop coherent and supportive national policies and a conducive institutional framework for smallholder development  SO2: Provide critical investments to provide support to rural households and entrepreneurs, individuals and groups to enhance productivity and improve incomes	SO1: Promote competitive and climate smart value chains.  SO2: Improve access for farmers and agri-business to key markets  SO3: Promote financially and environmentally sustainable rural economic infrastructure, critical for increasing productivity, post-harvest management and improving resilience
<i>Geographic focus and coverage</i>	Mountain areas	Livelihood systems of the mountainous areas and the lowlands lying between the Greater and Lesser Caucasus	all major agro-ecological zones; areas with highest concentration of rural poverty, and highest potential for agricultural development
<i>Strategic thrusts</i>	<ul style="list-style-type: none"> <li>Strong policy and institutional framework for rural poverty eradication</li> <li>Participatory approach to community development</li> <li>Competitiveness in the agricultural sector</li> <li>Improving access to finance</li> <li>Income generation from off-farm activities</li> </ul>	<ul style="list-style-type: none"> <li>Market linkages</li> <li>Improved on-farm productivity</li> <li>Support of the non-farm rural economy</li> <li>Develop rural financial services</li> <li>Creation of farmer associations</li> <li>Community development</li> </ul>	<ul style="list-style-type: none"> <li>Inclusive rural market development</li> <li>climate smart agricultural value chains</li> <li>Private sector investment</li> <li>"public good" productive and value chain infrastructure</li> </ul>
<i>Targeting approach</i>	Geographical targeting in mountain areas	(i) <b>Geographical</b> coverage in mountainous areas and lowlands (ii) <b>Direct targeting</b> of the landless, small farmers and women under community development activities; individual family farmers, rural entrepreneurs, and enterprises under rural financial services;	(i) <b>Geographical</b> targeting in areas with high poverty and potential for agricultural development (ii) <b>Direct targeting</b> within a private sector framework (farmers, cooperatives, agribusinesses) (iii) <b>Self-targeting</b> through pro-poor eligibility criteria
<i>Policy dialogue</i>	On enabling administrative system for communities; facilitation of grass-roots participatory organizations; NGO participation in development process; poverty alleviation within rural development	On <b>access to financial markets</b> (credit, collateral, CBO participation) and <b>access to markets</b> (value addition in key crops)	Through <b>Project Management Units</b> based in MoA who will pursue policy dialogue more effectively.
<i>Grants strategy</i>	No explicit strategy	Grants as entry point for policy dialogue; technical assistance grant for gender mainstreaming	No explicit strategy

Source: SUSOP 1999; COSOP 2004; CSN 2014

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